NATIONAL WEEKLY

Social Justice

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CHAMBERLAIN CALM IN HURRICANE CENTER
by Joseph Gibbons

FROM THE TOWER
Father Coughlin

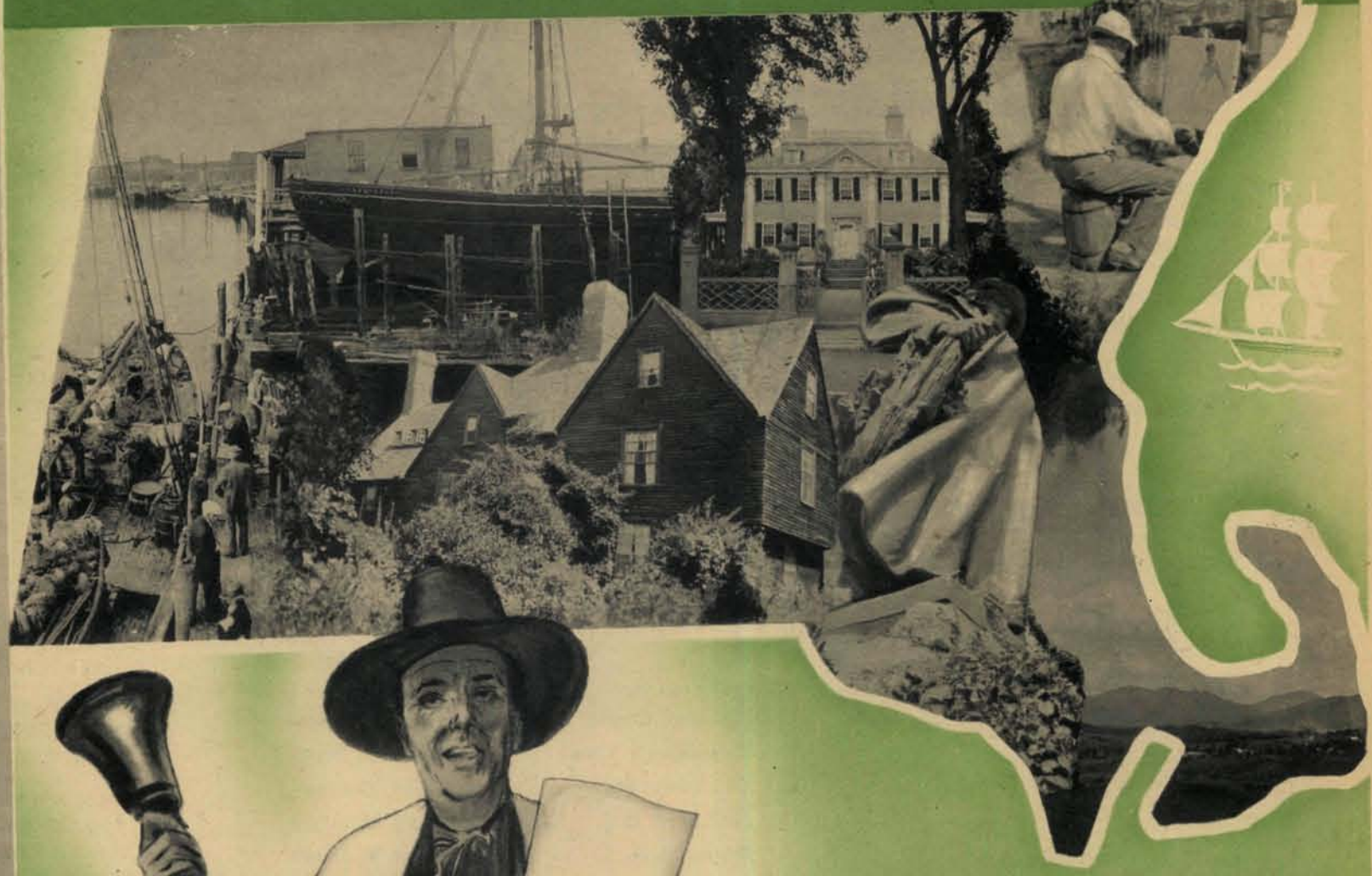
CHANGING BANKING FROM A RACKET TO A BUSINESS
Robert H. Hemphill

THE SOUTH: Our No. 1 Untapped Market
Lawrence Lucey

ARABS AND BRITISH
Charles Haddad

MR. BINDERUP'S MONEY BILL
J. Corr Fitzgerald

VOL. 2A NO. 21



THANKSGIVING DAY

ALMOST alone among the nations of the world, the people of the United States pause in the midst of material considerations to observe a *national religious holiday*—a day set aside by Presidential proclamation for giving thanks to the Creator.

America's background is rich in the religious tradition. A full century before the Founding Fathers laid the cornerstone of the new Republic with reverential recognition of their responsibility, the Pilgrim Fathers at Plymouth Rock had begun the custom of an annual feast of Thanksgiving.

Again, this week, the President's proclamation will call the nation to its Thanksgiving altars. Bad as conditions are in this country, their worst is better than those in almost any other land.

America has both the OPPORTUNITY and the POWER to break the stranglehold of international finance. For this we should be thankful; and dignify our gratitude by aggressive action.

Within this Western Hemisphere, once the alien money power has been broken, we can have all that we need for a peaceful prosperity never before known or dreamed of. But while we give thanks, let us not fail to maintain our guard. There are liberties for which we gave thanks, a brief year ago, that are not to be numbered among our blessings this week!

What other liberties for which we give thanks today will remain to us one year hence?

THAT IS ENTIRELY UP TO US.

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Social Justice

November 21, 1938

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Thanksgiving Day

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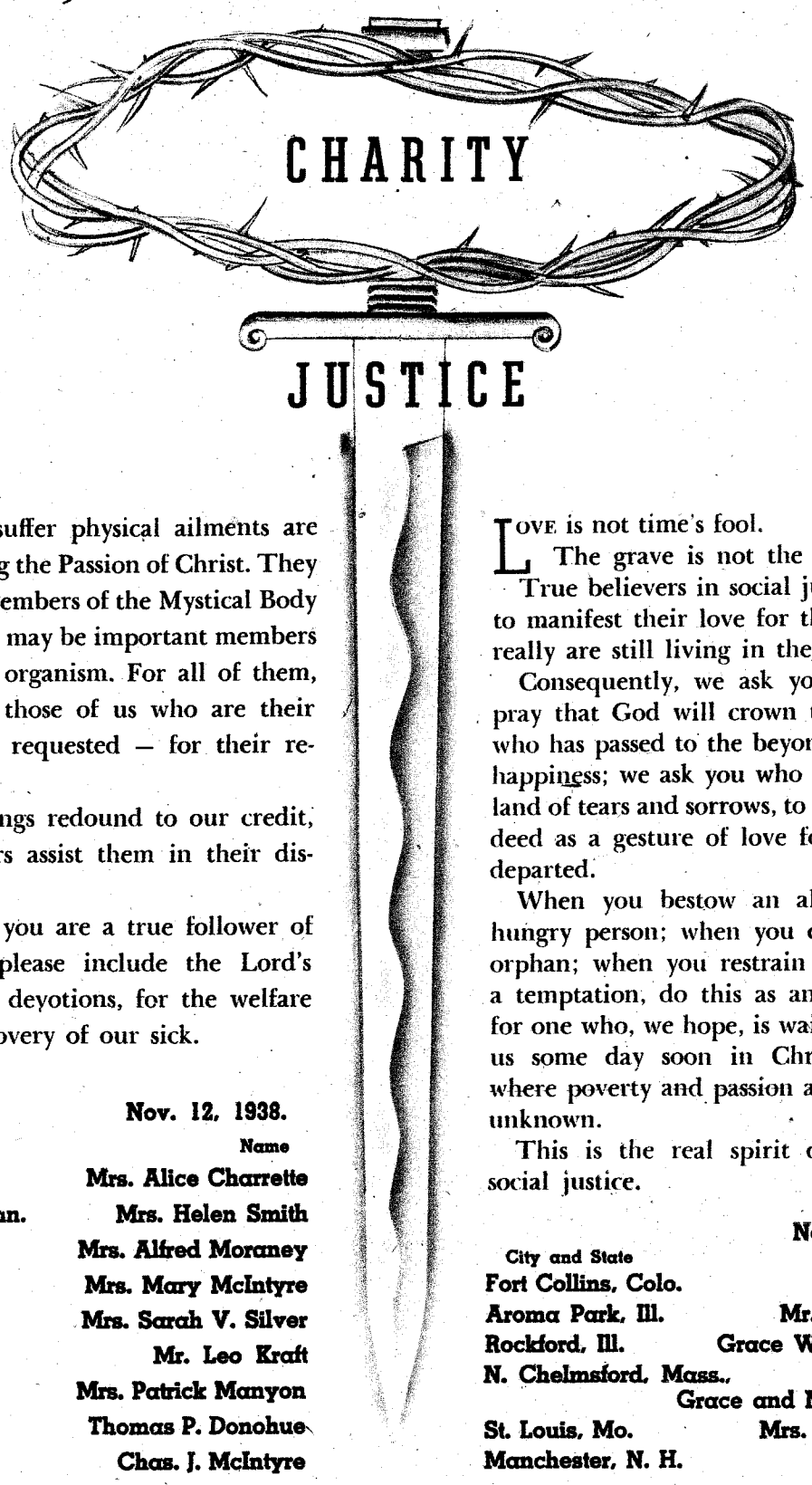
Vol. 2A No. 21

For as the sufferings of Christ abound in us: so also by Christ doth our comfort abound. II Corinthians 1:5



THOSE who suffer physical ailments are perpetuating the Passion of Christ. They may be lowly members of the Mystical Body of Christ. They may be important members of an essential organism. For all of them, the prayers of those of us who are their fellow-men are requested — for their recovery.

Their sufferings redound to our credit, and our prayers assist them in their distress.

Each day, if you are a true follower of social justice, please include the Lord's Prayer in your devotions, for the welfare and speedy recovery of our sick.

Nov. 12, 1938.

City and State	Name
Hartford, Conn.	Mrs. Alice Charrette
New Britain, Conn.	Mrs. Helen Smith
Old Town, Me.	Mrs. Alfred Moraney
Plainfield, N. J.	Mrs. Mary McIntyre
Brooklyn, N. Y.	Mrs. Sarah V. Silver
Camillus, N. Y.	Mr. Leo Kraft
Carbondale, Pa.	Mrs. Patrick Manyon
Coatesville, Pa.	Thomas P. Donohue
Philadelphia, Pa.	Chas. J. McIntyre

LOVE is not time's fool.

The grave is not the end-all of life. True believers in social justice continue to manifest their love for their dead, who really are still living in the Land of God.

Consequently, we ask you not only to pray that God will crown the life of one who has passed to the beyond with eternal happiness; we ask you who are still in this land of tears and sorrows, to perform a kind deed as a gesture of love for our faithful departed.

When you bestow an alms-deed on a hungry person; when you clothe a naked orphan; when you restrain and overcome a temptation, do this as an Act of Love, for one who, we hope, is waiting to receive us some day soon in Christ's kingdom, where poverty and passion and distress are unknown.

This is the real spirit of devotees of social justice.

Nov. 12, 1938.

City and State	Name
Fort Collins, Colo.	L. E. Squier
Aroma Park, Ill.	Mr. F. E. Boucher
Rockford, Ill.	Grace Welty Sedgwick
N. Chelmsford, Mass.,	Grace and Michael Walsh
St. Louis, Mo.	Mrs. Johanna Bowe
Manchester, N. H.	Lelia B. Wood

COMING IN SOCIAL JUSTICE

CHAS. HADDAD

A native Arab's view of the situation in Palestine—another of this journal's outstanding features of the year—will be concluded next week with the third of MR. CHARLES HADDAD'S interesting and illuminating articles.

MISS VIRGINIA McKAY, whose recent experiences in Red Spain have furnished readers one of the year's most popular features in SOCIAL JUSTICE, will return to the columns of this National Weekly next week with the first article in a new series about her experiences on "the other side." The two series will give readers a chance to form their own opinions about Spain based upon an honest reporting of factual experience—contrasting Spain under the Red rule of foreign agitators and Spanish Spain under a Christian social order which follows the progress of General Franco's Nationalist regime.

"On the Soviet Deadline, 1917-1938" by THOMAS MILLS, who spent ten years in Soviet Russia, will be a forthcoming sensation for magazine readers of the nation, starting early in December in the columns of SOCIAL JUSTICE. You cannot know Communism until you study its fruits in Russia. In the series by Mr. Mills, and in still further revelations which SOCIAL JUSTICE will uncover during the coming winter, readers of this National Weekly are to have facts which the G.P.U. in Russia exerts every effort to suppress and which Communists in America either falsify or are themselves completely in ignorance about.

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BLACK STAR
Four Million Families Would Build Homes and Buy the Products of Northern Labor, if New Government Money Could Be Pumped to the Areas of Dixie's Poverty.

BON SECOUR OYSTER SHELLS IN MOBILE BAY

THE SOUTH OUR NO. 1 UNTAPPED MARKET

By LAWRENCE LUCEY

PUMPING new Government currency into the South to replace the money drained from Dixie during the Civil War so that it will no longer be our "No 1 moneyless section," as it has been for the past seventy-five years; pumping new Government currency into the pockets of the poorest people in the South, as Congressman Charles G. Binderup proposes in his Monetary Control bill; will help not only the poor and rich Southerner alike, but you and me—all Americans, for the South is *our* "No. 1 economic problem."

Southerners who are not yet sharecroppers—though presently on the way to tenancy, for the farm mortgages in the South have been rising for twenty years—soon will be, for foreclosures are the order of the day. A 1934 survey revealed that one-tenth of the southern farms investigated were owned by banks and insurance companies who had foreclosed their mortgages. Since 1934 the banks and insurance companies have increased their percentage of land ownership.

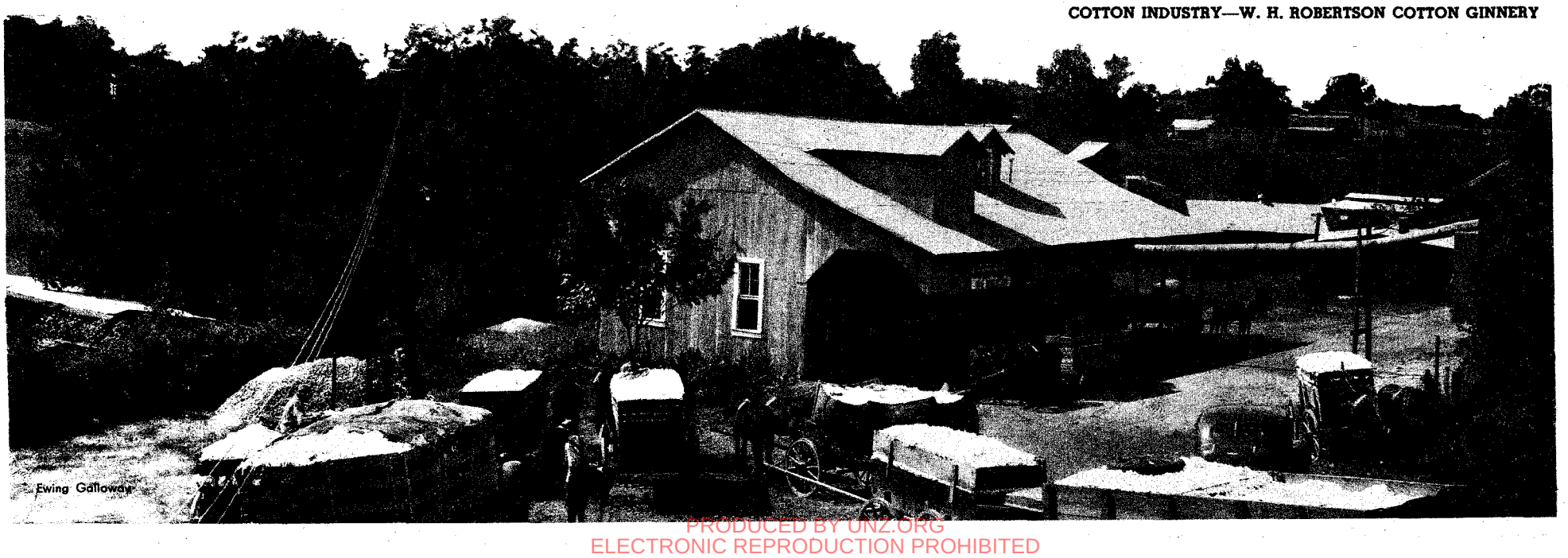
Southerners who are not yet sharecroppers or industrial wage slaves, but are slipping day after day from their secure economic position and headed down the ladder because of the absence of money, will profit when currency is placed in the hands of poor whites and blacks. Foreclosures will drop precipitately. Inevitably money travels from the pockets of the poor upwards. The poor man spends as quickly as he is paid money for he has to buy the necessities that he was denied when moneyless. His savings are meagre.

Money travels up the economic ladder a hundred times quicker than it seeps down, for the wealthy man on increasing his income does not need to spend it on consumers' goods but invests it in Government bonds, stocks and insurance policies. As soon as money—purchasing power—is placed in the hands of the underprivileged Southerner he will use it to buy from the stores, theaters, industries and home builders. Land will rise in price and income when more money is pumped into the South and the planters with acres of fertile soil will have title to property ever so much more valuable than its previous price. The fear of foreclosure will be dispelled when the income from the land is raised.

SOUTHERN poverty hurts Eastern, Mid-Western and Western residents. Low wages in the South force competing concerns in other sections to cut their wages. A textile worker in New England suffers from the starvation wage rate in the South. Whole communities have been put out of work in New England when one of their industries moved South to take advantage of the low wage and tax rates. Southern youths who travel to New York or Washington or Baltimore in search of a job because the South is moneyless, would stay at home if there was any money there and not reduce wages and cause unemployment in New York, Washington and Baltimore.

Connecticut tobacco growers whose fields, the *Social Justice* reporter noticed, were covered with mosquito netting this summer to prevent the Japanese beetles from ruining the plants, suffer from the absence of money in the South. Land in Connecticut costs more than in the South, for money is more plentiful in this state

COTTON INDUSTRY—W. H. ROBERTSON COTTON GINNERY



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and the cost of raising tobacco is consequently higher. Farm labor demands and gets a higher wage in Connecticut than the southern farm hand or sharecropper. Money pumped into the South will balance more equitably the competitive scale between the Connecticut tobacco grower and the southern planter.

But the balancing of the competitive scales between the South and elsewhere, and the improved living conditions that will flow to poor and wealthy Southerners is a trifle when compared with the immense market for goods that will be opened when money is pumped into the South. If the South had money, President Roosevelt was informed by an authoritative report placed on his desk by the National Emergency Council, it would buy so much from other parts of the nation that unemployment in New York, Detroit, Cleveland, Hollywood, Pittsburgh, Chicago and other industrial centers would be a dim, hazy memory.

"The South is *the nation's greatest untapped market,*" reads the report placed on the President's desk, and the market in which American business can expand most easily. The cost of "selling" the South modern conveniences is already being borne, to large extent, since the methods that now sell the rest of the nation reach the South with little or no extra cost. Radio, movies, periodicals, and other instruments of national scope for acquainting the public with new things have "sold" Southerners as they have sold other Americans. There are no language barriers, no geographical obstacles, no tariff walls, no psychological difficulties to be overcome. The people of the South need to buy, they want to buy, and they would buy—if they had the money."

The South is our No. 1 untapped market. Sharecroppers and mill hands and miners with money in their pockets would want autos, radios, clothes, shoes, refrigerators, meat, fresh vegetables, magazines and books, electric lamps, shaving cream, razor blades, gasoline and oil, moving pictures, furniture, bathrooms, cigarettes and cigars and pipe tobacco, beer, medical supplies and drugs and cosmetics, telephones, houses, washing machines, clocks and watches, jewelry, and a thousand other trinkets, gadgets and devices which must be manufactured, sold, transported and distributed by Yankees, mid-westerners and westerners. Money pumped into the South will put people to work in every city, village and hamlet in these United States.

MONEY pumped into the South would be channeled into the pockets of workers in Seattle, San Francisco, Detroit, Cincinnati, Chicago, Philadelphia, Boston, New York and elsewhere in the nation as wages for their work on goods that the South needs and will buy. These city workers in turn will spend their money they are paid on southern cotton which becomes part of their clothing, southern tobacco and fruits and peanuts and trips to Florida and all the other items the South stands ready and able to sell to these city dwellers if they had the money. Cotton and tobacco fields will not remain unplanted as the demand for these commodities will skyrocket when there is money in the cities to buy them.

Every acre of cotton and tobacco land that remains unplanted because of the new A.A.A. really should have a sign on it reading:

"LAND UNPLANTED. NO MONEY IN CITIES TO BUY ITS CROPS."

Every acre of land that remains idle because of the new A.A.A. is responsible for agricultural unemployment just as a factory whose whistles do not blow is failing to employe workers. Crop curtailment curtails jobs as well as food and clothing. An Associated Press man interviewed a cotton planter living in St. Matthews, South Carolina, who described how the A.A.A. had left him with idle men as well as land. Said the St. Matthews planter:

"I used to plant 1,000 acres in cotton. This year I have 400. I used to run twenty-five plows. I had fifteen this year and that was too many.

"What am I to do with those hands I can't use? I can't throw them out of the houses they are living in. Many of them have been living there all their lives, were born there."

There is only one method for putting these farm hands, whom Secretary Wallace is plowing under as recklessly as he plowed cotton under, back to work in the fields. The consumers of cotton goods, the city and rural residents of the East, Mid-West and West must be paid the money with which to purchase cotton goods. By pumping money into the South that will travel all through this land and back again into the South there would no longer be any reason for curtailing crops—every bale of cotton would be needed to clothe the one-third of our people who are ill-clothed.

Child labor is more prevalent in the South than elsewhere but the youth control law that went into effect this October 24th, a part of he Wages and Hours law, will be as ineffective in the child labor field as the A.A.A. is in the farm field and the "slum" clearance projects are in abolishing southern slums.

Child labor prevails in the South because the father of a child is denied a money income large enough to support his family. Child labor is directly traceable to the absence of money in the South. Were the father of a child-paid a decent income there would be no need to tell his father that he could not send his child to work; the father with money in his pocket would be more than anxious to put his child in the classroom. The only way to stop child labor is to pump enough money into the South so that the father of a child can earn an income large enough to support his child.

More bigoted, uneducated, illiterate, ignorant people are found in the South than elsewhere because there is less than $1 of money in Dixie for every $3 in other sections. When children start to work at 9 or 10 years of age so that they may add their pittance to a meagre family income, and seldom see the inside of a classroom, their bodies mature but their minds remain at the undeveloped childhood level.

Twenty-five dollars per capita is spent on education in the South while almost six times as much is spent in New York. This is not because the South is less desirous of educating its children. It is due to the fact that the South can never collect as much in taxes to support schools as New York can. There is not enough money in all the South to collect the taxes needed to finance a decent educational system. If the South wants to raise its mass mind above the "hill-billy" level, if it wants to produce sons who will be too educated to resort to mob violence or lynching, if it wants an electorate too mature minded to vote for Hugo Blacks or Tom Heflins, it must demand of the United States Government that it pump as much money into the South as there is in other sections of the country.

The South needs 4,000,000 homes. The P.W.A. housing projects or the F.H.A. insured loans cannot scratch the surface of the southern housing problem. No one can buy or rent a decent home on a sharecropper's or southern wage worker's income. People without money cannot buy or rent livable homes. That is the reason why the $28½ million worth of homes the Government has built in the South are not occupied by slum dwellers—they haven't got the money.

Were money pumped into the pockets of the poorest people in the South—new Government issued money instead of baloney bank dollars—a building boom would occur. The 4,000,000 families as soon as they had the money would want to buy or rent a livable dwelling, no more shotgun shanties for them. Aside from putting thousands of Southerners to work on these new dwellings, it would be necessary to buy hardware, cement, lumber, paint, bricks, electric wires and fixtures, plumbing supplies, tools, stoves and all the other construction material needed to build a house. This southern building boom would create work from the Atlantic to the Pacific and from Canada to the Gulf of Mexico.

The South is our No. 1 economic problem, our No. 1 moneyless section, our No. 1 untapped market. Our prosperity is tied up with the South, as she goes so goes the nation. If we Easterners, Mid-Westerners and Westerners want to help the South, put her back on her feet, and at the same time take a solid swat at our own economic problems, we should make ourselves heard in the halls of Congress. We should tell our Representative, Senators (and the President who adopted the South), to pump new Government currency into the South so that Southerners may be able to buy the products of our labor.

Sorghum making is a family affair. The father is unloading the cane, one son feeding the press, the other clearing away the pressed stalks, and daughter running the one-horse-power press.

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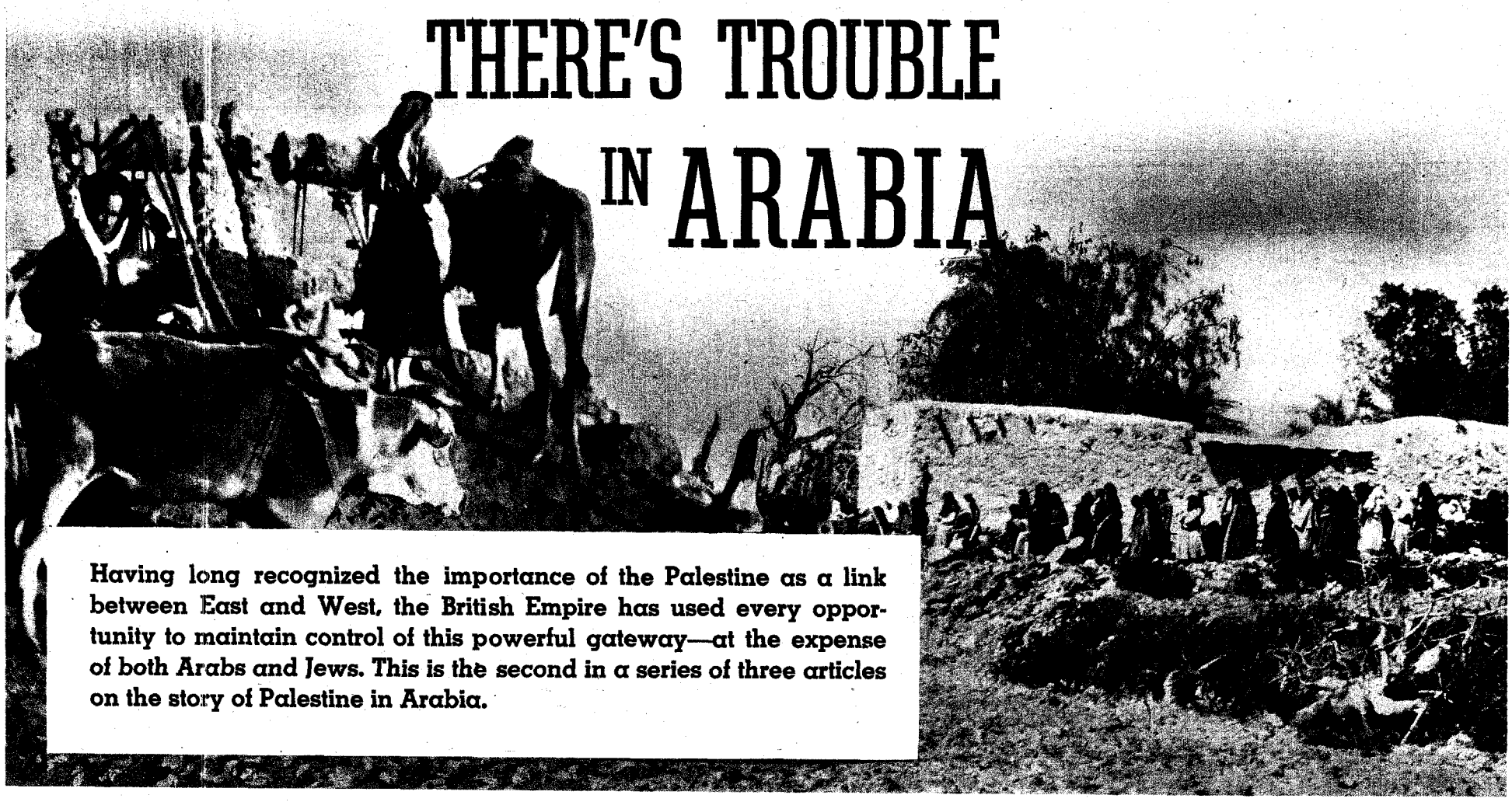
Part II: Arabs and the British

THERE'S TROUBLE IN ARABIA



By GEORGE HADDAD

Having long recognized the importance of the Palestine as a link between East and West, the British Empire has used every opportunity to maintain control of this powerful gateway—at the expense of both Arabs and Jews. This is the second in a series of three articles on the story of Palestine in Arabia.

THE Arabs have no quarrel with the British people. Their quarrel is with the British government which took upon itself an impossible obligation to harmonize two oppositions, two conflicting interests, trying to create two nations in one country.

The British government has not always been fair to the Arabs. It remembers them in times of disturbances and forgets them completely when things are quiet. If it tries to be fair with the Arabs, hidden influences make such intentions abortive. For it is not a secret that the British government is thoroughly infested with Jewish influence.

What chances have the Arabs in a Colonial office whose head is very often a personal friend of the Jewish executive; an office which is largely composed of Jewish employes and upon whom constant pressure is brought to bear by the Jewish members in both the House of Lords and the House of Commons?

THE inconsistencies, the waverings, the influences behind the scenes, back of the British government policy in regard to Palestine were presented with much force in the House of Parliament by Colonel Clifton Brown on June 19, 1936:

Palestine is the most important communication point of the British Empire. It is vital to the British Empire that in Palestine, surrounded as it is by Arab countries, and with Arab nations all around the shores of the Mediterranean, any action should carry with it the good will of the Arab races. Without that, our position there is one of isolation and of great danger. I would not approve of any idea that Palestine should be handed over to a purely Jewish race in order that they may defend it for the British Empire. They never did it in the past.

They were in a key position in the old days, when they were the buffer state between Egypt and the Assyrians, and they had to be kicked out because they were such a nuisance. They never paid for the Roman Empire when they were there as a buffer state for that empire. They were such a nuisance and the Arab nationality got so much of the upper hand. We need, therefore, to be careful from our own point of view, to see that no nation is allowed to settle there and to develop such an exaggerated nationalism that they may become the dangerous Achilles' heel.

There are grievances and distrust here between Jews and Arabs which are matters of life and death, and we cannot by mere debate get away from facts like that.

We know that this outbreak is not engineered but is perfectly spontaneous on the part of the Arabs of all classes. The origin of it was a mere robbery, in which three Jews were killed in a bus. What happened? Instead of waiting some time in order that the forces of law and order might arrest the murderers, some young students in Palestine went out one night, found two unfortunate Arabs sleeping in a tent and shot them. Before the Arabs died, the murderers were identified as Jews. There is now a blood feud—a life for a life, a tooth for a tooth, and an eye for an eye. That was the feeling and it is the same in this case. The feeling was intense and the whole thing occurred spontaneously.

I think it is here pertinent to ask a few questions of the government. What has been happening in the last seven years? Has the government taken any action to allay some of the fears of the Arab population? Have any of the findings of the commission of 1929 been acted upon?

The first thing that the commission said should be done, was that the difficulties of the Mandate should be clearly stated, and that the government should set down in black and white, how they interpreted the Mandate. What was the action of the then prime minister, now the Lord President of the Council on that question? He issued — or rather Lord Passfield issued — a white paper which set out pretty clearly how the government interpreted the Mandate.

The present prime minister (Mr. Stanley Baldwin), my right honorable friend (the colonial secretary), and others signed letters to the (London) *Times* saying that that was an anti-Jew and pro-Arab declaration, and so the prime minister of that time wrote a letter which began, "Dear Mr. Weizmann," in which he said that nothing in the statement of the government was meant, and that what appeared to be black, was really white. This caused the Arabs to think that they had been sold again, because the declaration which had been made by a responsible commissioner, and which they thought was in their favor, had been turned round so as to be in favor of their opponents.

Action of that kind by the then prime minister gave rise to the idea that the British House of Commons were entirely in the pocket of the Jews—that Dr. Weizmann had only to crack the whip and the British government would respond. The Commission consisted of very distinguished men, some of them well known in this House, but hardly one of their findings has been implemented. They asked for a restriction of immigration. Up to that time, the largest number of immigrants in any years was 20,000, but latterly it has been 40,000, 50,000 and 60,000. The Commission suggested that the machinery should be altered, and that a committee of non-Jewish interests should be set up to consider the matter in Palestine, but nothing of that kind has been done.

The Commission made other suggestions as regards the land, and we know that Sir John Hope Simpson went out and made a valuable inquiry in the course of which he found that many of the facts stated were accurate, but ever since then there has been propaganda to the effect that he was wrong. It was also suggested that some kind of constitutional government should be granted in Palestine, as we heard in the House the other day from the then colonial secretary, but the support of a constitutional government in Palestine has been extremely luke warm and half-hearted, and I cannot feel that the Government was backing up the High Commissioner when it allowed his proposals to be turned down in this half-hearted way.

It is not surprising that the Arabs do not put much trust in a new Commission, even though it may now be called a Royal Commission. Moreover, the facts are already known. There is the latest French report, and there is Sir John Hope Simpson's report. All the facts have been collected during the past seven years, and it is not to be wondered at, that there should be an impression that there is a desire to shelve the matter for another twelve months, and that the Government is rather drifting along as it has done in other matters lately, hoping that something will turn up, and that after two months they may not have to come to some awkward decision.

No matter how loudly the Jews may proclaim that they are bringing civilization to the desert, Palestinians will ever remain proud of Arab history and heritage. The life of the Arabs in Palestine is as old as the desert itself. Some of their ancestors were on the land, even before Abraham settled in Canaan. If a choice were to be made between the "desert" and a ghetto civilization, the choice of the Arabs in Palestine would be unmistakable; they would not adopt the latter at any price or any prosperity.

The whole Arab population of Palestine, as well as those of Transjordania, Syria and Mesopotamia looked, before the war, to the British as the identification of justice, gentlemanliness and honor. The only wish of every Arab was to throw off the Turkish yoke. And when Great Britain made its promises to King Hussein, the whole nation rose against the Turks and helped directly and indirectly the British cause.

But Great Britain broke its promise and trod on the most holy aspiration of the Arabs. This she did for the sake of the Jews, despite the historic fact that the Arabs had the incontestible priority in guarantees which were given by Britain to secure their support in the war.

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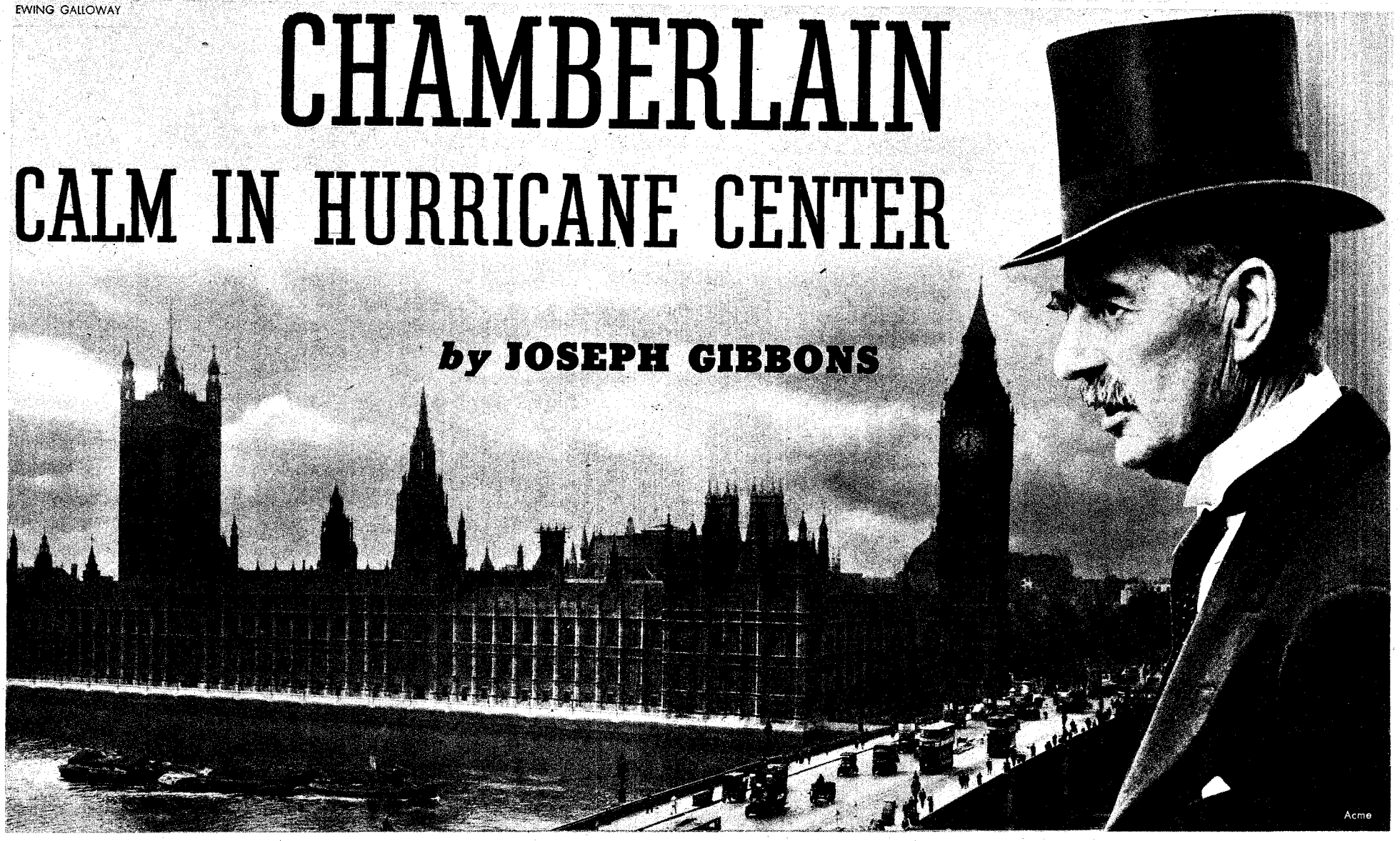
EWING GALLOWAY

CHAMBERLAIN
CALM IN HURRICANE CENTER

by **JOSEPH GIBBONS**



Acme

Parliament Buildings and the Rt. Hon. Neville Chamberlain

Not Personalities—but Forces—Oppose the British Prime Minister.

ON Tuesday, November 8, a new session of the British Parliament was begun. Foreign affairs, the European situation, and criticism of the Czechoslovakian settlement, were in the forefront of discussion, while the attack on Mr. Neville Chamberlain, responsible, as Prime Minister, for the British part in the terms at Munich is expected to increase.

It would be easy to be at fault in assessing the weight and direction of the attacks against Chamberlain. For one thing, there will be no sensational opposition to the Prime Minister or his policy—his position with the man in the street is too strong for that at the moment, and his opponents do not wish to take any violent line which would alienate the man with the vote.

There will be no party split on the issue either, as the word has gone forth from party headquarters that Conservative, National-Liberal or National-Labor members of Parliament opposing the Prime Minister will lose their party tickets and will find themselves opposed by official candidates in their constituencies at the general election which is expected next autumn if not sooner.

The press, also, will follow Parliament in not fighting the Prime Minister too openly and too vigorously at once, but will gradually develop the line of giving more and more space to criticism without apparently endorsing it and certainly without controverting it. That policy is already apparent and is running side by side with a whispering campaign which praises Mr. Chamberlain for keeping the peace and adds some qualifying buts. " . . ., but what a pity we let down poor Czechoslovakia so badly." " . . ., but what a pity he knuckled down to Hitler so abjectly." " . . ., but how our prestige has suffered." So the whispers run. So the press will take them up in due time and shout them.

IT will be interesting to follow this campaign and to see what personalities take up prominent positions in it, but at present it is more important to realize that Mr. Chamberlain is opposed, not by personalities, but by forces—the personalities are and will be tools, conscious or unconscious, of the forces and rarely the leaders of those forces.

The forces are, on the one hand international finance and on the other Marxist Communism, both of which can profit from unrest and from conditions which are inimical to normal life and business in and between States. International finance can make its profit and extend its power through war, and Marxist Communism looks to war to induce those conditions of misery and hate which enable it to inoculate peoples with its virus.

To understand Mr. Chamberlain's position in relation to these forces it is only necessary to take a brief glance at his life story. By training he is a business man; he took up politics not as a careerist, but as a public duty. As a boy he was educated at Rugby, which is a public school without the social or political cachet of Eton or Harrow, and then went to Mason College of Birmingham University just as thousands of young men have done whose fathers wish them to be trained for the practical affairs of business at one of the provincial universities so despised of the bloods and dons of Oxford or Cambridge.

He then went straight into business, part of his experience being gained in the Bahamas between 1890 and 1897 looking to the raw material production. Returning to Birmingham he gradually interested himself in his leisure hours in the administration of that city and joined the City Council in 1911. His interest and ablity were rewarded by election to the aldermanic bench in 1914 and in the following year he became its Lord Mayor.

His first essay in national administration was in 1916 when he accepted the strong invitation of the government to become Director-General of Naional Service to make the best use of the nation's man power and industrial strength in the conduct of the war.

It was not till December, 1918, that he entered national politics, when at the age of 49 he became Member of Parliament for the Ladywood division of his native city, Birmingham. His rapid rise was undoubtedly due to the very solid business qualities he possessed, to the confounding of the careerists whose stock in trade is subtlety and suppleness. In 1922 he became a Privy Councillor; in the same year Postmaster General; in 1923 Minister of Health; and that same year he attained the Chancellorship of the Exchequer.

AS a business man Mr. Chamberlain believes in production and distribution as an end for which to work. He can have no sympathy with international finance which is concerned with business merely to exploit it rather than to assist production and distribution. He would, by instinct and principle, distrust and oppose such misuse of money power.

As a business man, also, he would by instinct and principle, distrust and oppose the waste and exploitation of people inherent in Marxist Communism.

He is therefore anathema to both these forces and his sincere endeavours to promote peace by frank discussion of grievances cuts across their own aims to promote unrest and dissension.

At present his critics appear to be concentrated in small groups with no affinity between the groups and with no common policy. Sorting out the complaints against him brings them mostly under three main heads: that a war now would have prevented a worse one later when Britain's position might be weaker; that his surrender to threats weakened Britain's prestige; and that he has lined up with the Nazis and Fascists against democracy.

These and analogous arguments are being developed against him by the Cecils, Churchill, Eden, Lloyd George, C. R. Attlee, leader of the Labor party; Sir Archibald Sinclair, leader of the minute Liberal Party; Duff Cooper and other open opponents, with Lord Rothermere supporting them with his newspapers. The other press lords, Camrose, Beaverbrook, Kemsley and Iliffe, have supported him to a certain degree, but he can have no complete reliance on their continued support.

The resignation of Mr. Duff Cooper from the Admiralty as a protest against Mr. Chamberlain's policy was a damp squib. Mr. Duff Cooper has been regarded by the general public as a man popped into a safe seat and helped up the political ladder by ducal connections rather than by work and worth. He has hardly the weight, standing or ability to be a serious danger to the Prime Minister.

Mr. Chamberlain's danger will come from his present supporters, whether press or Parliamentary, when his principles cause him to refuse to go all the way with them in some project of which he disapproves. He possesses the common weakness of the business man of relying on colleagues and officials in matters with which he is not fully conversant and this may lead him into a position of jeopardy if his advisers are not fully open and honest with him. An example, though a minor one, of this was afforded in his refusal to allow an impartial inquiry into the grievances of the ex-servicemen in the civil service. He backed up his Treasury officials in this matter, but snubbed an influential section of the House of Commons in the process.

Chamberlain's only hope of surviving the hurricane campaign which will presently develop is to extend his contact with the man in the street who can appreciate good business, but must be weaned from a predeliction for the cheap-jack and the spell binder.

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HIGHLIGHTS OF THE BROADCAST

OUR CHRISTIAN HOPE

WE Christians have often heard it remarked that we belong to the Church Militant — the fighting church! Simple-minded souls are prone to think that our fighting is limited to the inordinate movements of passion—pride, lust, sloth. They forget that our fighting is not limited to flesh and blood. They forget that the consolidated forces of Christianity are destined to fight against powers and principalities; against the rulers in high places.

* * *

Communism is only one manifestation of the power of the mystical body of Satan. Leave it to future generations to name its next manifestation—but be not deceived. If not Communism, then some other "ism" will succeed in overthrowing the last vestige of organized Christianity in our midst; if we fail now, at this very moment, to cast aside our indifference, our false tolerance, our criminal prudence, and organize thoroughly to re-establish the social order of Jesus Christ for the protection of our nation against the incursions of a diabolical philosophy of internationalism which is well-organzed among us.

* * *

Social justice has specific principles. First, it is Christian. Second, it is social. Thirdly, it is active. And fourthly, it is militant. These are the qualifications for all who are prepared to surrender the heresy of naturalism and to defend the truth of the supernatural social order of Jesus Christ,

* * *

Therefore, we Christians in America are not indifferent to the choice of legislators or Congressmen or executives who seek to control our nation.

* * *

IN one or two states, certain executives had failed to distinguish between Communism and a Communist. Following the lead of Federal executives, they failed to repudiate the endorsement of the Communist Party in terms sufficiently vigorous to let their constituents know that they had no sympathy for a foreign "ism" whose advertised objective was to overthrow the traditional government of America, to tear the Stars and Stripes to shreds, and to trample the cross of Christ in the gory mud of revolution. That was unfortunate—doubly unfortunate, since this failure to uphold uncompromising Christianity and Americanism is charged to men who unquestionably are sincere.

At the risk of losing thousands of friends and supporters in the ranks of labor, I preferred to be honest with myself and with my interpretation of the principles of social justice when I refused to endorse the incursions and aggressions of Mr. Lewis and his C.I.O.

I was critical of the C.I.O. partly because it manifested a proclivity to become a political party; partly because of the foreign character of the organization itself; partly because its official ranks were infiltrated with avowed Communists; partly because of the class struggle which dominated its history; partly because of its policy of seizure and destruction of private property, and, lastly, partly because of its failure to advocate an annual wage for industrial labor.

AT NO TIME HAVE I OPPOSED LABOR. *At no time have I opposed industrial unions.* My prayer is that industrial unions shall prosper, purged of all faults, and that the progress achieved by labor shall not be lost in a tidal wave of reaction.

* * *

THEREFORE, we hope that the present Administration will read the handwriting on the wall. Together, we pray that this Administration will not be known in history as a political safety valve which permitted the steam of revolution to escape, only to be succeeded by the old regime which once more will stoke up the boiler of exploitation with the fuel of bonds, of debts, of mortgages and of fountain pen money—all of which fuel the New Deal neatly has piled, row upon row, for future use.

* * *

America must go forward on a *Christian American program.* The economic reform that was needed in 1933 is still needed today. It is still within the power of this Administration *to establish an adequate purchasing power based on justice in this country.*

* * *

If this present Administration has suffered a political reverse, it is because the people are weary of its radical attempts to change our social life and its failure to attack our economic ills.

* * *

My friends, do not lose heart! Do not surrender your objective of unionizing. But pattern your unions according to the American plan of life, according to the Christian plan of life.

Intelligent persons will not desert you. Intelligent public servants will not be deaf to your pleadings.

* * *

The intelligent farmers of America are to be congratulated for their repudiation of a policy of destruction; ours must be a policy of production.

The intelligent laborers are likewise to be congratulated for signifying their opposition to the W.P.A. and its less-than-living-wage; for no government can exact a fair wage for the industrial worker when it pays an unfair wage to the government worker.

* * *

I feel sure that our Chief Executive and those who surround him are humble enough to recognize their errors and correct them.

* * *

If some policy—originating not with God but with men—hinders or hampers production and distribution, that policy MUST BEAT A RETREAT! Its beneficiaries must surrender; for God never intended nor planned that a man-made economy should stand between His people and their just share in the goods of the nation where He placed them.

There is no Christian reason for 14 million men to be unemployed. There is no Christian need for 9 million and more to be recipients of Federal doles. There is no sane excuse for 50 million persons in our nation living below the standards of hygiene.

* * *

In its final analysis, is it not perfectly clear that these abuses are traceable to an economic system of finance which is more concerned with protecting the bonds of debt and the payment thereof, than it is in establishing an adequate purchasing power for the nation.

Once more SOCIAL JUSTICE presents some of the highlights of Father Coughlin's radio address on Sunday afternoon, November 13th. Naturally, in such limited space justice cannot be done to his memorable message of encouragement to labor. A pamphlet containing the complete address, together with the increasingly popular "Thought for the Week" may be obtained by writing directly to Father Charles E. Coughlin, Royal Oak, Michigan.

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NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Rev. Chas. E. Coughlin, LL.D.

EDITORIAL COUNSEL

(By Permission of His Superior)

Published by The Social Justice Publishing Co.

16 PRINCIPLES OF SOCIAL JUSTICE

Liberty of conscience and education.
Just living annual wage.
Nationalization of important public resources.
Private ownership of all other property.
Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.
Restoration to Congress of its sole right to coin and regulate the value of money.
Cost of living maintained on an even keel.
Cost of production plus a fair profit for the farmer.
Labor's right to organize.
Recall of non-productive bonds.
Abolition of tax-exempt bonds.
Broadened base of taxation on basis of ownership and capacity to pay.
Simplification of government and lower taxes.
Conscription of wealth as well as men in event of war.
Sanctity of human rights preferred to sanctity of property with government's chief concern for the poor.

A Post-Election Opportunity

It is now possible to consider calmly the outcome of the recent elections.

First, a large and important group of States, and American people, repudiated the policies of the New Deal.

In the Pennsylvania, Michigan and Wisconsin return to the Republican ranks, a definite repudiation of C.I.O.-ism is evident because of the importance of these three states to the John Lewis organization.

In the farm belt election—states where Henry Wallace spent millions of dollars as bait for the agricultural vote, a definite repudiation of the New Deal farm policy is apparent.

In a complete return of New England to the Republican ranks, there is indicated, especially in Massachusetts, that a candidate for Governor or Senator, who chooses to run under the banner of Mr. Roosevelt, is choosing political suicide.

All in all, the endorsement either of Mr. Roosevelt or of the C.I.O. proves to be a handicap rather than a help; for even the working classes, some of whom are still deceived by the unfulfilled and unfulfillable promises of the New Dealers wedded to the practices of the usurious money changers—even the working classes, are beginning to understand the deceit practiced upon them by inefficient politicians whose main policy was and is one of destruction, not production; one of promises and not of fulfilment.

The apparent victory which Mr. Roosevelt and the New Deal Democrats won in New York state is only apparent; the assembly of the State of New York is dominantly composed of Republicans.

The 1938 elections cast their shadow upon the presidential elections of 1940. Mr. Roosevelt will be able to comprehend the significance of what has just happened. As a penalty for his C.I.O. preferences and his Wallace destructionism, he and his party have received a set-back. Perhaps, he will conclude that America, rapidly rebelling against the social reforms of a socialistic nature which he has tried to impose upon the nation, is still demanding an economic reform. Perhaps, he will see that the only way he can regain and hold some of his lost prestige is to institute *a monetary reform which will drive the money changers from the temple* and, thereby, reduce taxation. New Deal taxation has alienated more votes than Mr. Roosevelt suspects.

Although America is slow to conclude, nevertheless, it has finally reached its decision: An administration which takes $1.29 in taxation from every $3 a working man earns is not a good administration despite all the sociological reforms which it has endeavored to institute. An administration is not a good administration which not only desires to perpetuate the emergency of the last five years but which finds itself faced with more unemployed in 1938 than there were in 1933. An administration is not a good administration which, because of the impounding of taxes and its scarcity program, has raised the cost of living for the masses and decreased the revenue of the pay envelope.

These facts are more eloquent than all the glowing fireside chats which were used to plead votes for Frank Murphy of Michigan or to subtract votes from those marked by presidential purge.

SOCIAL JUSTICE is opposed now, as it was more than two years ago, to the New Deal policy of scarcity and to the New Deal finance of fountain pen money, as well as to its constant flirtation with the Communists whom neither Mr. Roosevelt, in general, nor Mr. Frank Murphy, in particular, had courage to repudiate for fear of a loss of votes. We take no exceptional joy in the fact that our nation is swinging back into the ranks of hard-boiled Republicanism. Probably it will not be as hard-boiled as it was under Hoover. Probably it will permit men to work free from the bludgeonings of John Lewis and his un-American C.I.O. But more probably it will sustain the two worst errors of decadent capitalism—the errors of pay-while-you-workism for labor and the private issuance and control of the nation's money.

But, after all, these two errors were also sustained by the New Deal.

Mr. Roosevelt still has time between now and 1940 to reconsider his attitude towards the American people and prosperity. He still has time to nationalize the Federal Reserve Banks; to refinance the debt of the nation; to initiate necessary public works such as the building of a highway from Minneapolis to New Orleans and the electrification of all Federal and State roads. But this time, let him operate public works through the agency of private contractors with money not borrowed from the Federal Reserve Banks (which method increases taxation and perpetuates poverty) but with money issued directly by the Government tax free.

Of course, such a method will impair to a degree the private banks, the insurance companies and wealthy individuals who own debt bonds. Their influence and affluence can afford to be impaired.

If the President does not do this he will continue to impair not only the political chances of the New Deal in 1940 but also the general welfare of the laboring and agricultural classes of this nation.

The question of paramount issue is this: Will Mr. Roosevelt learn from the 1938 elections or will he be content to have spent eight years in office—eight years characterized by poverty, by strikes, by class struggle, by an ever-mounting pyramid of taxation and by a deal of sociological nonsense concocted by the Cohens and Corcorans, by the Hopkinses and Wallaces with the grand total result of more debt and more unrest.

It is a unique coincidence—and more than an accident of fate—that the voters' verdict against the unAmerican dictatorship of the C.I.O. and the judgment against the anti-Christian philosophy of New Deal destructionism, was manifested most telling in those very areas where the circulation of SOCIAL JUSTICE magazine and the activity of crusaders of Christian social justice is most densely concentrated.

For this the readers of SOCIAL JUSTICE, who in large part are also the radio listeners of Father Coughlin's Sunday audience, are to be commended.

Cheer up. Still greater things are to come!

If that is the case, the nation will repudiate him and the splendid program with which he entered into office in 1933.

There is still time to drive the money changers from the temple. There is still time to destroy want in the midst of plenty. There is still time to inaugurate the policy of an annual wage. There is still time to forget politics and to bend our entire energy, independent of what happens to politicians, towards producing plenty in a land of plenty.

Let the administration at Washington pay less heed to the dictator nations abroad and more heed to the exploited people at home.

Let the Federal policies at Washington be more concerned with domestic production and domestic trade than with the miserable three per cent international trade which ties us up to the destitution and war-mongering of the Europeans.

For the moment the 1938 Election shows the Communists and the C.I.O.ers to be in sad decline. For the moment America is returning to sanity, so the secular newspapers say. But it is a sanity which will only result in a greater political revolution following the revival of the Old Deal of Republicanism than was experienced in 1933.

I remember pleading with Mr. Roosevelt at a long session in 1935—the day Huey Long died. I warned him that his policies of crop curtailment and bond issuing with money borrowed from the empty Federal Reserve Banks would rise up to thwart the fulfilment of his plan. I pleaded with him to repudiate the radicals who had gathered about him. He informed me that he knew more about politics than I did and that he "would consider these things following the 1936 election."

1936 has gone. So have the 1938 elections. Is it not time for Mr. Roosevelt to recognize that the only scarce thing in this country today is wealth money; that the only plentiful thing, outside of the raw materials and vigorous citizens with which God has blessed our nation, is debt money with its resultant animosity between classes, its unemployment, its relief rolls, its W.P.A. and its growing bitterness towards government?

The 1938 elections are surely a warning to the Federal administration. In plain but unmistaken terms the people have said: "Mr. Roosevelt, we don't like your financial policies. We are opposed to the W.P.A. continuation when it is unnecessary. We are opposed to your meddling in state politics. We rebel against your constant increasing of debt and taxation. We resent your fraternizing with un-American Communists and radicals. We believe that your cure is worse than the disease."

If Mr. Roosevelt does not think that these thoughts are in the minds of the American people, let him wait until the Seventy-Sixth Congress convenes. He will discover that Mr. Garner, Mr. Carter Glass and at least two-thirds of the Southern Democrats will join with the Northern Republicans in giving expression to such thoughts as I have set down in the above paragraph.

Once before, the country and the people were sold on the proposition of "Roosevelt or ruin." When it became apparent that Mr. Roosevelt planned to be his own ruination, by borrowing billions of dollars from corporations that did not have that money to lend and by contracting with these lenders, that he would see to it that the American working man would be forced to disgorge good dollars from his pay envelope every week to meet this debt, then it was evident what 1938 would bring about just as it is now evident what 1940 will mean to the hopes and aspirations of those who longed and still long for a New Deal.

I wonder if the people of America could be persuaded to rally round his banner? Certainly it is a preposterous hope unless the actions of Mr. Roosevelt between now and 1940 will prove more eloquent than the words which he has spoken since 1933.

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The Week in the Nation

POLITICS

Ballot Breaks New Deal Grip

ONE question stood foremost in the recent off year election: "Would the voters express a continuing preference for the New Deal of Franklin D. Roosevelt?"

Today the answer stands foremost: "They would not."

But behind the question and its answer lies an infinitely complex background embracing the machine strength of the party in power; the absence of true governmental reform after six years of tinkering, and the overwhelming desire of the people to find the missing factor to the recovery picture.

That the voters turned to the Republican party—which political experts said had been dealt a death blow in the 1936 election—was to be expected. That they broke through the powerful electoral machine the New Deal had set up with lavish spending was not expected.

From coast-to-coast the voters rolled up a tidal wave of protest against all that the New Deal *has not done,* and some things it has done. In electing nearly 80 Republican members of the House of Representatives; 14 Republican governors; eight Republican Senators and innumerable Republicans to lesser offices, the voters indicated they had taken upon themselves the burden of finding the way out.

Further, in a titanic smash at machine control, the electorate tipped over the Hague machine in New Jersey; the Guffey machine in Pennsylvania; the LaFollette machine in Wisconsin. In Pennsylvania, Ohio and Michigan—industrial states under the ominous shadow of John L. Lewis—the voters wrote 'finis' to the power of the C.I.O. as a political force.

New Deal sponsorship of the leftist trending of the C.I.O. thus was repudiated. In Iowa and Kansas the extreme patronage of Agriculture Secretary Henry A. Wallace was disregarded as farmers and city dwellers alike stripped off New Deal control and elected candidates who had pledged themselves against the New Deal. In Iowa particularly, home state of Wallace, and the state where he had turned on the full force of his agriculture department favor, the New Deal was staggered and dropped.

Republicans rolled up gains in states stretching from Oregon to New York. In the latter state, where the New Deal acclaimed the re-election of Governor Herbert H. Lehman its greatest triumph, the victory had a hollow ring, for Lehman, as no other New Deal governor, had gone full tilt against President Roosevelt's court-packing plan, and reorganization bill and against certain other measures espoused by Mr. Roosevelt. Furthermore, he will be checked and balanced by a dominantly Republican legislature.

Voters smashed at the Guffey machine and excessive New Dealism in Pennsylvania. They voted against lawlessness and disorder in Ohio. They voted against Governor Frank Murphy and his condonation of the lawless sit-down strikes in Michigan. They voted against farm control in the Iowa corn belt. They defeated the co-author of the 1938 farm control act, Senator George McGill, in Kansas, and in wide-spread other contests they trounced those who sought re-election on the strength of Mr. Roosevelt's approval of their policies.

The Future

Hope at present is that the expressed wrath of the voters will shake the forces governing the New Deal, causing Mr. Roosevelt and those of his eternal and internal cabinet to seek true reform. A return to unrepentant Republicanism can be but a return to the practice of vicious capitalism. The New Deal is the reform party. Unless it seeks and gets *true* reform, it fails. And if it fails, it sets back the cause of the people at least two decades.

If the New Deal abandons its protective mandate over extreme leftism and seeks financial reform—the essential reform underlying all others—it will earn a bright place in the history of American democracy. If it fails, it will fail miserably; and in failing it will be consigned to a dark corner of the graveyard of America's lost hopes.

ADMINISTRATION

"Third New Deal" Fate Uncertain

As the elections stamped the character of the upcoming 76th Congress, indications were that this legislative body would be faced with three distinct problems: Labor, Pensions and Farmers.

In each case popular protest gave form to the problem. Dissatisfaction with the crop control act of 1938 was evinced in the election, and long before the election. And the ballot box removed from office the farm bill's co-authors, Senator Pope, of Idaho, in the primary, and Senator McGill of Kansas in the general election.

Popular protest, too, against the authoritarian C.I.O., with its smash of labor democracy, its lawlessness, and its Communist support, made likely further agitation for revision of the Wagner labor relations act and a transformation of the power of N. L. R. B., the act's administrative agency.

And a nationwide surge toward "free and easy" pension systems indicated that the social security system would have to be perfected; old age pensions provided to placate the hundreds of thousands of followers of the Townsend system, and the "ham and eggs" plan of California, and other states.

No lickspittle Congress will be seated in the Capitol next January. With Republicans holding more than 165 of the 435 House seats, and with defected Democrats holding down scores of others, every New Deal measure will be a fresh battleground. Proposed revival of the Reorganization bill will kindle fires of opposition far greater than those that spread across the House and Senate in the last Congress.

In the Senate, eight new Republican faces, and the stiffened faces of Democratic Senators who broke the President's purge, will greet Vice President Garner as he hammers down the gavel. Every indication points to the "fightenest" Congress since the inception of the New Deal in 1933.

Dies Committee

In a sense the Administration took the Dies committee before the people in the election—and found it approved by popular vote. The President lashed the committee for "interfering" with the elections and sought to call it off until after the vote was recorded. At the same time he tied in his denunciation of its activities with a benediction for Governor Frank Murphy in Michigan. Both the President and Governor Murphy lost.

The overwhelming Republican vote indicated that this committee on subversive and unAmerican activities, which had the full support of the Republicans in Congress, was popular with the electorate, regardless of what Mr. Roosevelt, ardent New Deal Congressmen, and the Communists thought about it.

Thus the committee prepared for further adventures into the leftist network that has wrapped itself around governmental posts as it called Homer Martin, of the United Automobile Workers C.I.O. union, and others to testify.

LABOR

C. I. O. Meets in Pittsburgh

As the arms, legs and fingers that comprise the Committee for Industrial Organization convened in Pittsburgh to form a permanent "organization," internal quakings indicated that fissures and ruptures which shook the C.I.O. in the past were not entirely smoothed over.

The convention, which gathered November 14, was the first national convention of the John L. Lewis system of unionization, the greatest weakness of which has been its lack of a constitution, and constitutional democratic processes of labor government.

Few doubted, as delegates for the C.I.O. estimated 3,000,000 members assembled, that whatever was accomplished would be accomplished only by the assent of Lewis and his small staff of labor dominators. For Lewis, from the beginning, has had only contempt for democracy in labor; has been able to see only the dictatorial side of labor government. His eyesight has not improved during the last few months in which three or four strong C.I.O. affiliates have threatened to bolt from his immediate authority.

A great understanding of the Lewis' temperament is shown by Benjamin Stolberg, in his book, *"The Story of the C.I.O."* Commenting on the organization methods of the C.I.O. chairman, he said: "Lewis never moved without building and tightening his machine. He never hesitated to win first and be fair afterwards."

He adds that Lewis is never moved by "petty ambitions." His overwhelming desire is for power — more and more power. This trait, he says, has been reflected in Lewis's manipulation of the United Mine Workers Union, which he has headed as president since 1920.

"Whoever is president of the U.M.W. usually stays," Stolberg says, "for the miners do not elect their national officers at conventions, but by mail. Lewis's machine out in the field saw to it that he got the right mail. It is the common belief in the union that in 1926 John Brophy was really elected president. But if he was, he never served."

Significant in Lewis's dictatorial control of the C.I.O. is this background of his connection with the U.M.W. Thus far the Mine Workers union has contributed more than $2,700,000 to the C.I.O., and still pays out $30,000 to it every month. Stolberg mentions that Lewis's greatest weakness is in those with whom he surrounds himself in control.

The 'Stalinists,' or first rank Communists devoted to overthrow of the United States government by force, have swarmed over the C.I.O.'s entire structure and are able to dominate its movements and policies through influence on Lewis and John Brophy. This explains the position and power of Harry Bridges on the West Coast; the restoration of Communists to the U.A.W., and the positions held by other Communists throughout the C.I.O.

And it may explain much that occurs as the first C.I.O. convention attempts to solidify the body into a permanent organization in opposition to the American Federation of Labor.

Martin Testifies

As the C.I.O. went into convention, one of its most volatile leaders, Homer Martin, U.A.W. president, was called before the Dies committee to testify as to the nature and extent of Communist activity in his C.I.O. union.

At the same time, local union members of the U.A.W. whispered of another blowup in the union's administrative staff. Martin, it will be remembered, led the attack on Communism in his union, and brought about the expulsion of known Communists and Communist "stooges" from the union's staff of officers. But he swallowed the bitter tea of reversal when Lewis sent his trouble shooters, Phil Murray and Sidney Hillman to Detroit, and "sold" the union's executive board a peace plan that restored the unrepentant Communists and their aides to office.

For the sake of "harmony"—or for a variety of other reasons—Mr. Martin chose not to speak out against the "peace" that sought to compromise with Communist violence and sabotage. Thereupon he excused himself from testifying before the Dies committee because his testimony might endanger "delicate negotiations" in which he was at that time engaged.

Now the way has been cleared. Both because of the backing given his position in the general election, and because the C.I.O. now is throwing out a group of adminstrative assistants favorable to Martin. These have been painted as "Lovestoneites," and members of the International Labor League, a separate Communist faction.

The time is propitious *for a showdown on U.A.W.-C.I.O. "harmony"* that is achieved only through a policy of giving Communists virtual control of the union.

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PROTOCOL NO. 16

A NEW ENGLAND religious paper carries the information that there is being discussed over a Boston radio station the subject of the *"Protocols of the Wise Men of Zion."*

According to the edition of this paper on Saturday, October 29th, we read:

"Taken at their face value the *'Protocols,'* especially if detached sentences or paragraphs are observed, present a plan of cynical conspiracy against Christian society as a whole. But if they are examined critically . . . they present such a mass of contradiction, such a naive acceptance of the solution to problems of immense difficulty, such a faith in the power of absolutely inept means to these solutions that, if the mysterious Elders of Zion, who are presented as the authors of these destructive plans, have no other means to suggest to attain their extraordinary ends, then the world has little to fear from the *'Protocols'* and can sleep in peace . . .

"One immediate conclusion forces itself upon one after an examination of the content of the *'Portocols.'* This production offers absolutely nothing that bears even a remote resemblance to any organized movement. The authors are ignorant of even the elements of finance and economics; they are destitute of even a faint idea of political institutions . . . I defy anyone to gather from these pages purporting to present a program of action, even a semblance of a plan."

For the information of many of our readers and others who, perchance, listen to this Boston radio program, which was more or less a whitewash for the *Protocols,* we direct their attention once more to the October 3rd edition of SOCIAL JUSTICE in which our staff correspondent, Mr. Benjamin Marcin, ably answered an eminent Jewish editor. The answer hinged about the Berne trial where two insignificant book-sellers were hailed to court for selling copies of the *Protocols of the Wise Men of Zion.* Mr. Marcin analyzes the first trial in the inferior court where these men were found guilty, and where the authenticity of the *Protocols,* as attributed to the Wise Men of Zion, was found to be untrue. But Mr. Marcin follows through this trial to that conducted in the superior court of Switzerland where the findings of the first trial were thrown out—a fact which many alert people have failed to ascertain.

Now, as before, it is regrettable that so many Jews are made to suffer mentally, morally, physically and socially, because so many Gentiles fail to distinguish between Oriental Free Mason Jews and the simple souls who do not even know of the existence of this synagogue of Satan.

The *Protocols of the Wise Men of Zion* cannot be proven to have been written by the "Wise Men of Zion," but the factuality of the content of the *Protocols* is about us at every turn.

Is it not true that the synagogue of Satan, under the leadership of anti-Christ, has hindered and hampered the activity of the Mystical Body of Christ?

Is it not true that some unseen force has taken Christ out of government, business, industry and, to a large degree, education?

Is it not true that a force, over which we Christians seem to have no control, has gained control of journalism, motion pictures, theatres and radio?

Is it not true that Communism has made progress in the world—Communism which is anti-Christ, anti-God, anti-liberty, anti-Christian and only pro-Semite as long as the Semites do not practice their own ancient religion?

Is it not true that some unseen force has woven the threads of international banking to the detriment of civilization; that a godless force is dominating industry, has monopolized control of many industrial activities, has used governments as their servants, and has been instrumental in flinging one nation against another nation's throat?

Is it not true that even the so-called freedom of the press and of the radio is questionable when we view the propaganda which filters through the ether to the detriment of peace and prosperity?

Is it not true that gold, the international medium of exchange, has been concentrated in the hands of a few private individuals while nations languished, poverty-stricken, with want in the midst of plenty?

Is it not true that there is an intensification of armament building; that discord and hostility are being sown throughout the world; that we are being conditioned to expect the outbreak of a universal war?

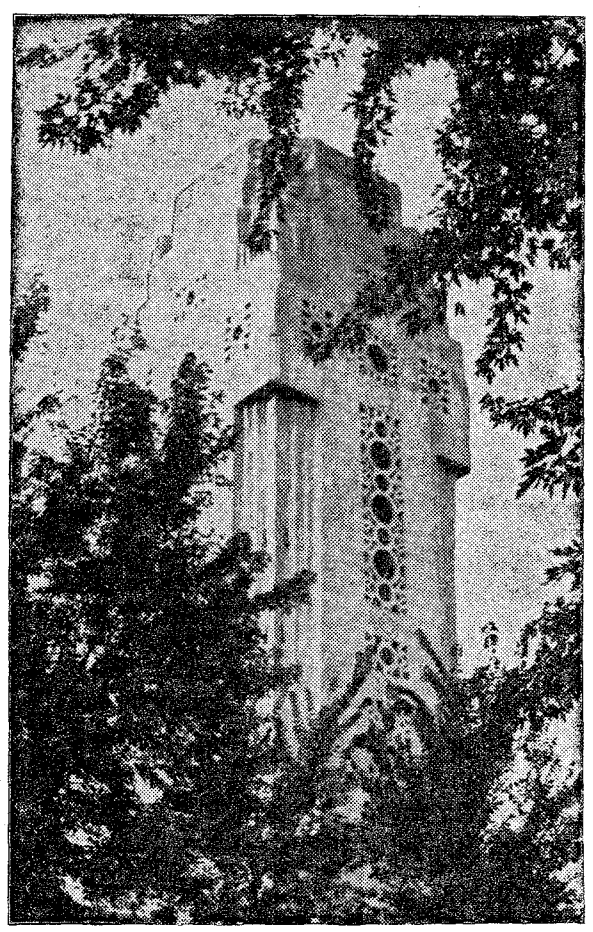
Is it not true that Pius IX, Leo XIII and other popes have warned us against Oriental Free Masonry, which endeavors to supplant the supernaturalism of diabolical intrigue?

Is it not true that Jean Jacques Rousseau democracy with its belief in the magic of numbers to be the norm of righteousness—is it not true that this false theory has been foisted upon an unsuspecting and an unknowing public?

Is it not true that Karl Marx and his Communism, hiding behind the front of the Communist Party in America, have infiltrated hundreds of other organizations with communistic doctrine?

Is it not true that Catholics throughout the world are decreasing in number during the past twenty years rather than increasing, because they have been duped in too many instances by those who pooh-poohed the advances of radicalism; by those who failed to revive the spirit of Francis and of Bernardino a Feltre?

READ the first sixteen Protocols which tell of the objectives of the leaders of the "synagogue of Satan"—a term used by St. Paul and again by Pius IX. Read carefully and find out for yourself if there is not a plan to destroy the social order of Jesus Christ and supplant it with the naturalistic order of Satan.



FROM THE TOWER

I repeat that it is regrettable that this plan, printed under the name of the *Protocols of the Wise Men of Zion,* has been attributed to the Jews. No one knows who exposed this plan first, but men who are alert to the happenings of this world since the 14th century know that this plan has been working out little by little. They know that particularly since the days of Rousseau in 1789, this plan has gone with giant strides towards the goal of its realization.

Unfortunately, the Jews as a nation do not believe in Jesus Christ's divinity. Unfortunately, they do not accept His social order of life. Unfortunately, they cannot accept the doctrine of the Mystical Body of Christ because they do not believe that He is God. And, unfortunately, like the Mohammedans, the Brahmans and the other non-Christian religionists, they can hope, under the plans of their own social order, to make no more progress than was made by their own people throughout the centuries.

Instead of persecuting the Jews, it should be the business of Christians to convert them. Instead of accepting the non-Christian social order in vogue about us, it should be the business of Christians to campaign, as did Paul and Basil and Gerald and every other great leader, to create a love for this social order and to put it into practice.

With this thought in mind Christians may not be tolerant of Judaism in the sense that they may think that, under Judaistic theology and philosophy, the world can be prosperous and peace can reign. If the world could have been prosperous under Judaism; if social sanctification could have come to us independent of Christ's new social order, then why would Christ take the trouble of establishing a new social order?

As far as I can judge, our God, and our King and Captain, and our Christ was dissatisfied with the old social orders and originated Christianity not only to redeem and save the individual man by His death; not only to leave means behind, such as the Sacraments, which enable us to live the supernatural life, but also to offer means for the salvation of the world, for its peace and prosperity, through the institution of His new organization, the Mystical Body of Christ.

I repeat that if one takes time to read the content of the *Protocols,* he will find that they are negative in the sense that they are opposed to the supernaturalism, to the liberty and to the spiritual unification of nations and individuals which are taught in the full doctrine of the Mystical Body of Christ.

THE facts in the world about us certainly need explanation. Certainly, things have not just happened by themselves. Certainly, there are causes deeper than most men suspect for the World War, for the French Revolution which preceded it, for the Russian Revolution which succeeded it. There were causes for the exploitation of the poor beyond the poor economic causes about which there is so much dispute. There were causes which forced the abdication of Christ from the throne of government and industry and finance—deeper causes than could be attributed merely to ordinary political action. If these causes are not traceable to the mystical body of Satan, or to the "synagogue of Satan," or to the naturalism advocated by the Oriental Free Masons in a program similar to that expressed in the *Protocols of the Wise Men of Zion,* then we had better begin looking elsewhere through what physical human agents the Prince of Lies is operating.

The writer in the New England paper makes much of the fact that the *Protocols* are a plagiarism. If a plagiarism, he is only admitting that the original authorship of them must have existed, because you can't copy something that did not exist. Or again, he insinuates that they are a satire. You can't satirize something that is measured only by the dimensions of a ghost.

No one is anti-Semite, provided he has any intelligence. First of all, all Semites are not Jews. If one knows his ethnology, which is the study of the human races, he is aware that the word, "Semite," embraces in its concept the Arabs. He knows that the word, "Semite," is a term invented by Eichorn, the German scholar, to include the various languages and tribes

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of Arabia, of lower Euphrates, and Palestine.

Both Count de Gobineau, a French soldier, and Leopold von Ranke, a German historian, agree that the Semites belong to the mulatto class, which resulted from the crossing of the white and black races at a very early period of history, at least 2,000 years before Christ. This crossing took place in Arabia, making that country, and not Palestine, the home and the brooding place of the Jews and Arabs.

I repeat that students smile when the term, anti-Semite, is applied to Jews by sophisticated people who have popularized it for the consumption of the gullible.

In our office recently one of the most scholarly and eminent Arabs in the world has been visiting almost daily to inform us of the lamentable Jewish-Arab warfare which is now in vogue in Palestine. This gentleman, who is a Roman Catholic in religion and a graduate of several universities in education, is proud of the fact that he is a Semite.

Neither I nor anyone on the staff of SOCIAL JUSTICE magazine is anti-Semite. We are pro-Christian—so much pro-Christian *that we are not satisfied with compromising with the mystical body of Satan, and we will not be satisfied until we do our level best to promulgate the doctrines of the Mystical Body of Christ with all their implications.*

THUS when we resume printing the *Protocols* beginning with the 16th Protocol, we are not attributing them to the Jews. We are simply insisting upon their *factuality*, be they plagiarized or not plagiarized, be they satires—or not satires. We lament the fact that Jews do not share with us our Christian faith in the divinity of Jesus Christ. And we uphold the belief that only through the Christian code of life both for the individual and society can society be saved from a worse disaster than the one it encountered in 1914 or in 1917.

Protocol No. 16

"In order to effect the destruction of all collective forces except ours we shall emasculate the first stage of collectivism—the universities, by re-educating them in a new direction. Their officials and professors will be prepared for their business by detailed secret programmes of action from which they will not with immunity diverge, not by one iota. They will be appointed with especial precaution, and will be so placed as to be wholly dependent upon the government.

"We shall exclude from the course of instruction State Law as also all that concerns the political question. These subjects will be taught to a few dozens of persons chosen for their pre-eminent capacities from among the number of the initiated. The universities must no longer send out from their halls milksops concocting plans for a constitution, like a comedy or a tragedy, burying themselves with questions of policy in which even their own fathers never had any power of thought.

"The ill-guided acquaintances of a large number of persons with questions of policy creates utopian dreamers and bad subjects, as you can see for yourselves from the example of the universal education in this direction of the goyim. We must introduce into their education all those principles which have so brilliantly broken up their order. But when we are in power we shall remove every kind of disturbing subject from the course of education and shall make out of the youth obedient children of authority, loving him who rules as the support and hope of peace and quiet.

"Classicism, as also any form of study of ancient history, in which there are more bad than good examples we shall replace with the study of the programme of the future. We shall erase from the memory of men all facts of previous centuries which are undesirable to us, and leave only those which depict all the errors of the government of the goyim. The study of practical life, of the obligations of order, of the relations of people one to another, of avoiding bad and selfish examples, which spread the infection of evil, and similar questions of an educative nature, will stand in the forefront of the teaching programme, which will be drawn up on a separate plan for each calling or state of life, in no wise generalizing the teaching. This treatment of the question has special importance.

"Each state of life must be trained within strict limits corresponding to its destination and work in life. The occasonal genius has always managed and always will manage to slip through into other states of life, but it is the most perfect folly for the sake of this rare occasional genius to let through into ranks foreign to them the untalented who thus rob of their places those who belong to those ranks by birth or employment. You know yourselves in what all this has ended for the goyim who allowed this crying absurdity.

"In order that he who rules may be seated firmly in the hearts and minds of his subjects, it is necessary for the time of his activity to instruct the whole nation in the schools and on the market places about his meaning and his acts and all his beneficent initiatives.

"We shall abolish every kind of freedom of instruction. Learners of all ages will have the right to assemble together with their parents in the educational establishments as it were in a club; during these assemblies, on holidays, teachers will read what will pass as free lectures on questions of human relations, of the laws of examples, of the limitations which are born of unconscious relations, and, finally of the philosophy of new theories not yet declared to the world. These theories will be raised by us to the stage of a dogma of faith as a transitional stage towards our faith. On the completion of this exposition of our programme of action in the present and the future, I will read you the principles of these theories.

"In a word, knowing by the experience of many centuries that people live and are guided by ideas, that these ideas are imbibed by people only by the aid of education provided with equal success for all ages of growth, but of course by varying methods, we shall swallow up and confiscate to our own use the last scintilla of independence of thought, which we have for long past been directing towards subjects and ideas useful for us. The system of bridling thought is already at work in the so-called system of teaching by object lessons, the purposes of which is to turn the goyim into unthinking submissive brutes waiting for things to be presented before their eyes in order to form an idea of them . . . In France, one of our best agents, Bourgeois, has already made public a new programme of teaching by object lessons."

FOLLOWING this 16th Protocol, may we incorporate in our article a letter written by Mr. Frank Ness of Baltimore to the *Brooklyn Tablet* of recent date. The letter states:

"Dear Sir:

"I have read, in this issue of *The Tablet,* Rabbi Saperstein's further defense of the *Talmud,* and I am positively amazed at his assertions. As recently as 1935, an 8-volume set of *"The Talmud,"* under the editorship of Rabbi Isidor Epstein, was published by The Soncino Press, London, in English, the First Edition being stated in the frontispiece to be 'limited to one thousands sets.' How many of the sets have reached the United States will doubtless be kept secret, because no sets are on sale in public book stores. The writer has actually seen one of the sets in one of the large cities here and in a secluded location. In Vol. V, p. 388, of the set, it is explained that the word, *"Cuthean"* had been substituted by the censor for the original *"goy" and "heathen."* Also on p. 388, the following appears as text—

" 'With respect to robbery—if one stole or robbed or (seized) a beautiful woman, or (committed) similar offenses, if (these were perpetrated) by one Cuthean against another, (the theft, etc.) must not be kept, and likewise (the theft) of an Israelite by a Cuthean, but that of a Cuthean by an Israelite may be retained.'

"The following text appears on p. 389:

" 'It applies to the withholding of a laborer's wage. One Cuthean from another, or a Cuthean from an Israelite, is forbidden, but an Israelite from a Cuthean is permitted.'

"This is followed, on p. 400, by the statement—

" 'R. Johanan said: A heathen who studies the Torah deserves death, for it is written, Moses commended us a law for an inheritance, it is our inheritance, not theirs.'

"The anti-social nature of such teachings, and the deliberate secrecy sought to be maintained, is certainly not open to debate. How can any Jew who accepts such teachings be a loyal American? It is idle to further attempt to hide such teachings. They must be openly and vigorously rejected and fought by all Jews who are loyal Americans. Neither racial nor religious tolerance can be stretched into a countenancing of such outrageous teachings.

"The American Jews, for their own future good, must assert themselves against such teachings. American hospitality must not be abused, and Jews arriving from the East with ideas in accord with such teachings should not be harbored here. Let every true American pause and reflect upon the strange assertion by an American Rabbi M. Schindler, in the *Jewish Chronicle,* 28 April, 1911:

" 'Fifty years ago we were near to assimilating ourselves to the Americans. But since then two millions of our brothers (or three) have arrived from the East, keeping their ancient traditions, bringing with them their old ideal. This army has submerged us. It is the hand of God. The Jew must differentiate himself from his neighbor; he must know it; he must be conscious of it; he must be proud of it'."

THE eminent Stanislaus M. Hogan of the Dominican Order, writing in the *Irish Rosary,* of the driving forces of Communism, says:

"Since Lenin and his 'comrades" were sent in the locked train from Switzerland to Moscow with $12,500,000 and instructions to start the Revolution, the principles of Bolshevism have gradually imposed themselves on the people, for these principles, as the people understand them, mean the ultimate rule of the people. But if Bolshevism signifies the rule of the people on paper, it actually signifies the reign of atheism. It is the rule of Christianity and the principles of Christianity which Bolshevism insists are out of date and ineffective.

"We must probe deeper, then, if we would find the origin of the movement which has caused the present disruption. Bolshevism, Communism, and Socialism are really synonymous terms, and the movement to which they apply is not of sudden appearance, but a movement which has been secretly and cunningly planned for many years. This movement was planned for a definite purpose, which is not the amelioration of the status or conditions of the workers or the proletariat, but the destruction of the entire Christian order, consequently the destruction of Christianity itself, of supernatural belief and morality, and the establishment of a new 'civilization' from which God, shall be rigorously excluded. In this new civilization all national boundaries will vanish, and the unification of all nations in a Universal Federation of the Peoples of the Earth will be effected, which shall be known as the World Republic.

"Bolshevists, Communists and Socialists are mere pawns in the game that is being played by hidden forces. These forces are the real power. They use both Bolshevism and Communism, as they use every secret society, as a means for the time being to accomplish their purpose; but once this purpose is achieved, if it ever is achieved, Bolshevism, Communism, Socialism and every secret society will disappear; the leaders of these hidden forces have said so. These leaders are ruthless and pitiless towards all who thwart or oppose them, and have always shown themselves merciless tyrants. They are the leaders of the satanic organization called Illuminized Freemasonry, and they are a handful of Cabalistic Jews. There is not at the present day a single secret society which is not directly or indirectly subject to, and controlled by, Jewish Freemasonry."

The eminent Dr. Denis Fahey, one of the most brilliant scholars Ireland ever produced, also says:

"The Protocols purport to be extracts from a series of lectures before a picked body of Jewish-Masonic Leaders in Switzerland in 1897, setting forth their plan for securing world-power. Whether these documents were forged or not—the question is disputed—they outline with amazing accuracy of detail the program for world-domination which is being put into operation today by Judeo-Masonic Leaders."

Thanks be to God that eminent scholars like Father Hogan, Father Fahey and Father Cahill have had the Christian fortitude to avoid pussy-footing in this crisis that confronts Christianity!

Father Coughlin

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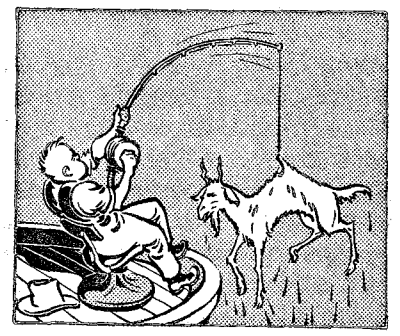
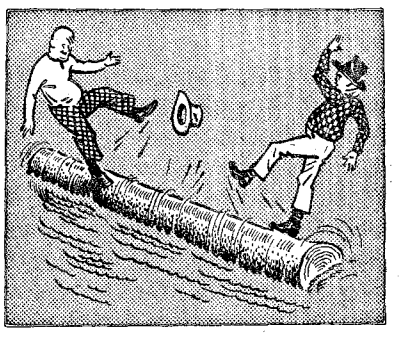


THE SPORT OF THE NATION

- POLITICAL FOOTBALL
- LOG ROLLING
- GOAT FISHING
- HOG CALLING
- BUBBLE-BLOWING
- HIDE AND SEEK
- SHIRT-STUFFING
- DUMMY WRESTLING



Institute Scans New Deal Hangover

"Peepul" Topple Applecart; Gain Ground in Election

Toss Politicians For Vote Losses

NEW YORK, N. Y.—As Maine went, so the nation tended to go in the recent election, and therein lies a hope for the much-abused "peepul," themselves the victims of the most conglomerate assortment of conflicting appeals ever delivered by a mob of candidates in national political history.

Not that the Republicans, who moved several steps up the ladder toward the national administration, are little gods who can right all the wrong that has been done—not at all. Merely that once more there is a tendency toward equi-balanced representative government wherein checks and weights work upon each other, to bring about sane, middle-ground policies.

New Deal's bottomless sack of dough has been snatched from the nervous hands of the patronage scatterers, and the "peepul" will be relieved of the necessity of paying through the nose for reforms none of them wanted in the first place.

Turn on Heat

Then, there is the bright hope that professional politics may have been thrown for a loss of 50 yards or more. Governor W. Lee O'Daniel, the Hillbilly songster, flour salesman from Texas, found that the people passed the biscuits to "pappy" on his campaign to abolish all politicians. This may start a popular electoral purge of all professional office-seekers who attempt to buy their way to election on gold-plated ballots, and once in the saddle remain there the rest of their lives.

In Michigan, Ohio and Pennsylvania—the three states where the dark shadow of John L. Lewis hung menacingly over the ballot box—the voters turned on the square "x" heat and chased John L. back to Washington and the House committee rooms. They threw out John L.'s candidates for state and federal jobs. They eradicated from public service every man who bore the "O.K.-by-C.I.O." stamp. And they ended the short but blazing history of Lewis's romp in national politics.

In Pennsylvania also they gave testimony of their disgust with Joe Guffey's machine by trouncing it soundly. Then the victims of the President's purge, in most instances, ran back on their accusers and beat them to the ground in defeat. The parade of the "yes-men" was halted; the parade of the "no you don't" men begun.

(Copyright New York Herald-Tribune)

The machine government of political dynasties in all sections of the country was set back ten years. The Bensons in Minnesota, the Hagues in New Jersey, the Guffeys in Pennsylvania, the LaFollettes in Wisconsin, and the rest. The persecution, sabotage, political trading and patronage rule of the New Deal was given millions of "no" votes.

Further, the wildfire spending systems—such as "ham and eggs" in California — engendered and encouraged by the wasteful spending policies of the New Deal, were stomped under.

Yes, all in all, it was a good election.

Please pass those biscuits around this way, again, pappy.

OF MUSE & MEN

J. David Stern, publisher, Philadelphia Record, New York Evening Post and the Camden (N. J.) Courier and Post, visited the White House Oct. 15, and in a 15-minute talk with the President discussed the election prospects of Democrats in Pennsylvania. —Editor and Publisher

For some years Davey Stern has been the head cheer leader for the New Deal. This conference reveals that Davey is going to leap, twist and tumble about as he leads the yells for Roosevelt, Hopkins,, Ickes, Corcoran & Cohen, and the rest again this year.

Davey is nobody's fool, at least from a business standpoint.

But, despite the well-hedged position, Davey nonetheless imposes a 10 per cent pay cut on his employes recently.

The tipoff on the reason for Davey's trip to the White House crept out a week ago. Davey got a magnificent, $1,000,000 "industrial" loan through the favor of the Roosevelt administration.

Survey Finds Democrats Suffer Intense Headaches

By Dr. Oscar Giddap
Director, "National Institute of Private Opinion"

WASHINGTON, D. C.—A "hangover" from 1936 has given the New Deal a giant headache. That's the finding of the "National Institute of Private Opinion."

The "Institute," which conducted a survey immediately following the record-smashing off year election, found headaches of assorted sizes and degrees afflicting every member of the New Deal hierarchy, and lowerarchy.

On the other hand, New Deal bolters—that stalwart band of purgees who couldn't be purged—were found to be enjoying the spiritual blessings of unusually clear heads. Their hands were steady; their eyes firm. It was ascertained, with an accuracy ratio of approximately 73.5 per cent, that the Mahoney boys definitely were NOT having a parade around the cranial walls of these individuals, the unpurged purgees.

Percentages Given

Taking a cross-section sample of all the Democrats in federal and state offices, the percentages were found to be as follows:

	per cent
Those suffering headaches	86
Those not suffering headaches	14

It was determined that every Democratic office holder in a state where the Republican trend was unmistakable, suffered from delerium tremens. They awakened the morning after election, Institute reporters found, with delusions of gray elephants crawling out from under the bed. Other Democratic office holders reported they felt strange sensations—a feeling they were being kicked from behind by a donkey. One said he dreamed he was sleeping peacefully, and expected to sleep four or six years more, when a giant elephant strode into the room, wound its trunk about him, and tossed him out the window. It was cold outside when he landed, he said.

Institute reporters sought out individual members of the New Deal high command. Their interviews indicated conclusively, they said, that all troubles dated from 1936 when the members of the New Deal won an election and went on a spending spree.

Few 'Swear Off'

Despite ill effects suffered from their latest bout with that head-reeling stuff, governmental power, relatively few Democratic office holders indicated they would swear off. In nearly every instance those questioned opined that "another shot" would do them a world of good. The Institute surveyed the field on this point, with the following results:

	per cent
New Dealers on the wagon	8
New Dealers still intemperate	92

This means, according to all information, another New Deal spree with still greater consequences when the buzz is over, in 1940.

In quizzing Democratic federal leaders, Institute reporters found an interesting variety of beliefs as to the reason for the headaches, jitters, D.T.'s, and red eye. Among those giving opinions were:

Jim Farley, Democratic national chairman: "The whole thing has given me a stomach ache. No, I haven't got a headache—no more of a headache, that is, than I started out with. I saw it coming—I KNEW I was going to get sick!"

President Roosevelt, head of the Nation: "We shall solidify our forces and drive forward for the realization of our great, liberal program. We shall unite all liberals under one wing—the left wing."

Franklin D. Roosevelt, head of the Democratic party: "Ow, what a headache! Somebody is going to pay for this. Marvin, take a fireside chat."

Harry Hopkins, W.P.A. director: "Of all the ingratitude—90 per cent of those W.P.A.-ers were supposed to vote Democratic! We was robbed!"

Tom Corcoran, New Deal policy man: "My head is aching, my throat is hoarse, and I won't be able to whisper for a few weeks, but when I start, watch out!"

Henry A. Wallace, Secretary of Agriculture: "What a headache! I lost my shirt on a losing horse! Boy, what a farm program I'll have to cook up to get back my winnings. I'll come through though. Just wait! I'm going to give 'em corn loans, wheat loans, export subsidies, import subsidies, consumer subsidies, processing taxes, cost of production, profit, domestic allotment and a two price system. I won't lose again!"

Madame Perkins, Secretary of Labor: "Oh dear—that C.I.O. outfit—oh dear!"

Jack Garner, vice president: "I think I'll eat a couple of steaks. Gee I feel good."

Harold L. Ickes, Secretary of the Interior: "Those &&*!& sixty families —they can't do this to me! I'll P.W.A. 'em to death. Gimme an aspirin, will you?"

With $200,000 of this million dollar slug, Davey bought additional stock in the New York Post, which recently let loose with a stock flotation of $1,800,000 in search for new capital.

As a New Deal cheerleader, Davey is a first-rate Copperhead, Economic Royalist, and Prince of Privilege.

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The Week in the News

Searchlight on the Money Changers

Propagandists Use Seized Spanish Gold

THE blanketing of the United States by Red propaganda testifies to the astuteness of the Ambassador for the Spanish Loyalist government, Fernando de los Rios. It also raises the question of where he obtains the money.

At the outbreak of the Spanish civil war, the Bank of Spain held for the Spanish nation — not the "government"—the very imposing sum of 2,448-million gold pesetas ($500-million), the fifth largest gold reserve in the world. This, along with more than $300-million in private property, was seized by the "Loyalists" directed by Marcel Rosenberg, who operated on orders from Soviet Russia.

An unchallenged authority has supplied the following figures representing the "distribution" of the Bank of Spain's confiscated gold funds, as of January 1, 1938:

Recipient	Gold Pesetas
Fernandez Shaw, London	11-million
Alfredo Palacios	16-million
Antonio Cruz Marin, London	34-million
Felix Gordon Ordas, Mexico City, Mexico..	64-million
Fernando de los Rios, ...	75-million
Anonymous or Unaccounted For (Graft)...	100-million
Luis Arquistain, Paris...	194-million
Alvaro de Albornoz, Paris	210-million
Francisco Mendez Aspe, Controller-General. ..	400-million
14 Shipments of Gold to Paris by plane for the Rothschilds	350-million
Deposits in Mont-de-Marsan-France	250-million
Other shipments abroad, largely to Russia.....	663-million
Total	2,367-million

Leaving a balance as of January 1, 1938, 81-million pesetas.

Since the Spanish embassy is foreign territory immune to Congressional investigation, these facts would probably never otherwise reach the American people. But it would make interesting reading to learn what the Spanish ambassador has done with the 75-million pesetas credited to him, created by (and stolen from) the Spanish people.

At the start of the Spanish civil war the ambassador spent $13-million as a starter to swing American public opinion to the side of his Communist-dominated government.

In the spring of 1938 a scandal was quickly hushed in Washington just after de los Rios was appointed ambassador to the United States. It was disclosed that the Spanish embassy, grossly abusing its diplomatic franking privilege, was mailing postage-free a staggering amount of propaganda for the Red cause in Spain.

Both Alcala Zamora and Fernando de los Rios are reputed to be descendants of the "Marranos," a Jewish family who, under cover of conversion to Christianity, continued faithful to the spirit of the *Talmud*. The Marranos became Catholics on the instructions of the "elders of Zion" then sitting in Constantinople, who directed them (in the *Protocol of* 1489) to *"make your sons Canons and Clerics in order that they may destroy Christianity."*

Does this explain the strategy of "boring from within" to undermine Christianity, as well as the satanic desecration of Christian churches throughout Spain and Russia? We know that the deluded dupes who committed the acts of vandalism are directed and led by leaders who have the power to protect them from punishment for their awful crimes.

Fernando de los Rios as Minister of Justice in 1931, when the so-called Spanish "republic" was proclaimed, led the radical attack on the Catholic Church. He was principally responsible for the expulsion of the Jesuits from Spain. In addition, he had the government of Red Spain pass legislation encouraging priests to marry, and also a bill to facilitate and "legalize" divorces by mutual consent on the Soviet Russian model.

Moreover, a leader named Rubenstein, returning to the United States after having interviewed the Jewish Vice President of the Spanish Senate, A. Pulido, declared: "Jews can now look with confidence on Spain as a land of new hopes and bright prospects. Ten million dollars are to be collected for the Jews who are to settle in Spain."

De los Rios was instrumental in bringing about the recognition of the Soviet Republic by the Red Spanish "republic," as well as trade agreements whereby Spain would purchase oil from Soviet Russia, being financed all the while by the House of Rothschild.

Now, under the diplomatic immunity afforded him as the Spanish ambassador to the United States, de los Rios carries on for "the cause" in this country.

Dr. Joseph B. Code, professor of history at the Catholic University of America, recently stated that he was thankful that Americans at last were awakening to the dangers of the Spanish civil war. "If there were more clear thinking in regard to the Spanish civil war," said Prof. Code, "immediately it would be seen that he who supports the Barcelona-Madrid government is advocating the suppression of those very same liberties for which our forefathers fought and died."

PRESS

Wisconsin, a Testing Ground

From the Milwaukee Journal

"Often in the past it has happened that while the nation was facing one way, Wisconsin was going another. At this election Wisconsin sentiment is clearly that of the nation. And Wisconsin, with a longer and more intimate acquaintance with claims of the wasteful spenders has done a more thorough job than most states.

"Who knows at what moment sentiment turned? It may have been when Gov. LaFollette decided to throw democracy out the window and tell the legislature what to do. It may have been when he went in for the ambitious scheme of a personal national party. Or it may have been the slow realization that three terms was time enough for a man who claimed high economic ability and a party which claimed peculiar virtue to show something if they had it.

EYES and EARS OVER THE CAPITOL

by Mark Meecham

Seen In The Aftermath

IF the primary results made the Administration feel like Harvard winning the Yale game, the November elections must have left it feeling pretty much like Yale's team on the morning after. The Democrats put all their eggs in one New Deal basket, and John Public dropped it. The only possible way that the brain trust could wriggle a "mandate" out of election Tuesday's omelet would be to revert to Mark Twain's method of dealing with Irate Subscriber. He describes the encounter something like this: First I led with my left and he dodged; then he caught me off guard with a blow to the right. We went down together. He put his knee in my stomach and got my hair in his grip—and *I had him!*

The number of Republicans added to the roster is not nearly as significant in the eyes of the New Deal, as the number of its genuine supporters no longer among those incumbent.

Secretary of Agriculture Wallace suffered from the election returns almost as much as if he had been personally engaged in the race — many thought he was. Both sponsors of the Pope-McGill farm act—Mr. Wallace's prize legislative package—will be paying their own traveling expenses to Washington for a while.

The humiliation in Kansas is all the more serious, because the displacement of Senator McGill was a direct response to Secretary Wallace's campaign slogan, that a vote against McGill was a vote against Triple A. Idaho had eliminated Pope in the primary. Add to that, the Wallace defeat in both Iowa elections, first of friend Otha, and now of Governor Kraschel, and the absence of New Deal voting Congressman Edward Eicher in the 76th Congress, and the farm secretary's blues are understandable.

* * *

Another thorn in the New Deal side is the House Rules Committee, all-important to Mr. Roosevelt since he came up against its power to promote or bottle-up legislation in the last Congress.

The New Deal, the American Labor party, and the Communists, concentrated their best energies to defeat John J. O'Connor, Rules chairman—only to discover that the administration no longer had control of this important committee anyway.

True, O'Connor is out. The new Rules chairman is pro-New Deal Representative Adolf J. Sabath from Illinois — the same Mr. Sabath who received a three-column endorsement from the *Midwest Daily Record* for his "liberal" policies—the same *Daily Record* which carries in its editorial masthead, its official allegiance to the red flag of international Communism, and which states:

"The only complete solution of the problems facing the people lies in the ownership and control by the people of the factories, mines and mills—the means of production. This reorganization of society is called socialism. This socialism lives and flourishes today in one sixth of the world, in the Soviet Union, where democracy triumphs.

"That is why the Communist party has withdrawn its own candidates for the November elections, to help achieve the election of those candidates who have won the confidence and support of the organizations of the *progressive* movement."

* * *

Despite the accession to the Rules chair of a "liberal," the New Dealers are now a minority in that group.

While new members of the committee are selected by the House, once appointed, they continue upon the same committee term after term.

The rules committee for the next Congress, as now constituted includes: Representative Joseph W. Martin, Jr. of Massachusetts, new minority leader of the House; and Republicans Carl E. Mapes of Michigan; J. Will Taylor of Tennessee, and Donald H. McLean of New Jersey.

Democrats: Howard W. Smith of Virginia, who survived a purge as vicious as that directed against O'Connor; E. E. Cox of Georgia, whose attacks upon the C.I.O. tactics have not made him *persona gratissima* in New Deal circles, Martin Dies who has witness sufficient administration opposition during the past few months, to renew the courage of his Texas convictions, and J. B. Clark, another conservative Southerner. Lawrence Lewis of Colorado is the only New Dealer left on the committee. For while Mr. Roosevelt was purging O'Connor, two of his own friends on the committee, Greenwood of Indiana, and Harlan of Ohio, met defeat at the ballot box.

Republicans, by reason of their numerical increase in the House are in a position to demand another man on the committee, and get it. Democrats may select two or three of their party to serve, but even fondest administration hopes cannot foresee more than one "liberal" selection ahead.

Thus has ended one of the administration's most costly election defeats.

But it is not nearly so great a victory for Republicanism, as it is for the independence of legislators. The committee as it stands is not as much anti-New Deal as it is pro-American. Mr. Roosevelt may not be able to get its co-operation on socialistic projects, but he can still secure its support for real American social legislation, if he wants it.

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The Week in the World

ENGLAND

Confer in France on Colonial Issue

PRIME Minister Neville Chamberlain and Viscount Halifax, Foreign Secretary are to be in Paris, France, from November 23rd to November 25th, in the next major step in their policy in European appeasement.

Few will be privileged to know exactly what transpires between the representatives of the British government and Premier Edouard Daladier and Georges Bonnet, French Foreign Minister, but there are several suggested reasons behind the visit.

The conversations in Paris are expected to involve:

(1) The possibilities of an Anglo-French understanding with Germany on such outstanding questions as colonies, limitation of armaments, prohibition of the air bombing of civilian populations and the use of gas in warfare.

(2) A French-Italian pact to follow conclusion of the Anglo-Italian pact of co-operation, initiated last April 16.

(3) Conclusive mediation in the Spanish civil war.

(4) The consolidation of the loosely held Anglo-French economic policy for the stimulation of industry, trade and commerce.

(5) Possible British pressure to induce the French government to renounce its military alliance with Soviet Russia, which exists more in shadow than in substance. When France needed Russian aid in the Czechoslovakian crisis, the Soviet would not lift a finger, although Foreign Minister Litvinov hid in the halls of the League of Nations and issued pompous statements attacking those who preserved peace.

(6) A review of arrangements for Anglo-French military staff consultations, initiated last April in London.

(7) The conference in Paris will probably be a preliminary to a second meeting of the "Big Four"—Chamberlain, Daladier, Mussolini and Hitler, perhaps in London on a date to be announced later.

(8) Aside from these considerations, the Chamberlain-Halifax trip to Paris is timed to emphasize that the Anglo-French axis still is in effect. Twice this year the French Premier and Foreign Secretary travelled to London for consultations without any return visits which has furnished some of the critics with ammunition such as "French foreign policy is always decided in London," or "France has become second-class satellite nation," etc. The trip to Paris will refute these contentions, and at the same time repay all courtesies and dissipate insinuations that Paris is not a full partner in the Anglo-French entente.

Of these possible topics in the proposed conversations, the one most likely to lead to another European crisis is the colonial issue. The British government is willing to return some of the colonies which Germany lost in the World War, but the rub is which ones. Probably Togoland and the Cameroons will be returned. It is unlikely that Tanganyika and Southwest Africa will be returned to Germany, in view of the fact that the economic output of these areas is pretty much under the control of high Jewish financiers, such as the Rothschilds.

Captured Arab patriots, tied together by their wrists, are here shown being checked by a British officer following the restoration of British military control in the city of Jerusalem. (Acme newsphoto.)

These bankers openly profess "war-at-any-price" rather than concede an inch to Germany, although the German-Jewish Mendelsohn-Bleichroeder banking houses are forcing the issue. In addition, there are the population difficulties to be coped with, the military and naval strategic angles, but the commercial returns—does it pay—still remains the pivot on which the Colonial question hinges.

Closely inter-related in this picture of commercial domination is the fact that German banking houses in London believe that the Nazi government will require millions of dollars to develop any colonies which might be returned and, therefore, it is desirable to give her some.

As an alternative, it has been suggested that Belgium and Portugal might give Germany part of the Belgium Congo and Angola, but here a similar situation prevails of Jewish bankers controlling the economic output of the colonial areas.

The general idea prevails in London, however, that Belgium and Portugal, despite their present protests, may be "persuaded" that they, too, should sacrifice some colonies to Germany in the interest of general European appeasement.

At home, Chamberlain has been bluntly informed, even by some of the colleagues who backed him on the Munich Treaty, that they will break with him on this colonial issue. In other words, as long as Czechoslovakia, or something that did not touch their interests, was at stake, it was satisfactory. But in the colonial issue, many of these same colleagues have economic interests in the colonies which they refuse to sacrifice for peace. They have neither the courage nor the heroic self-sacrifice of the Czechoslovakian people who placed the interests of world peace above even partition of their native land.

Nevertheless, Chamberlain will make a bid for French support, because it is obvious that it would smooth his path if he could return to London with the sealed support of the Paris government on this issue in his black bag.

No matter, how one may differ with the policies of Chamberlain, it must be admitted that he recognizes a thorny problem when he sees it and has the courage to tackle it. Neither hoping nor talking, nor criticism of a destructive nature, especially among those who have not all the facts in the case, solves a problem.

All in all, it is a very ticklish problem and if Chamberlain can surmount it, he will go down in history as one of the real English statesmen who realized fully that the price of peace was costly, but the price of war infinitely more expensive to mankind.

ITALY

PREMIER MUSSOLINI recently announced a program whereby Italy can attain economic self-sufficiency before the Supreme Autarchy Commission.

"We have gone forward and above all we shall go forward in the future."

Mussolini submitted five conclusions to the Commission:

(1) "To reach self-sufficiency the metropolitan territories (Italy) and those of the empire constitute one indissoluble unit.

(2) "Italy is deficient in meats and fats, but great projected irrigation canals to be constructed within five years and mainland olive production together with that of the empire will provide these.

(3) "In the industrial fields there are sectors in which nature has given us autarchy, others in which it has now been reached, others in which it is more than fifty per cent obtainable, and finally others in which it is entirely or nearly unrealizable. In the latter case voluntary restrictions and substitutes offered by science must function.

(4) "The battle for self-sufficiency will be conducted inflexibly, overcoming any visible or hidden resistance which discloses defeatist mentalities. In the Fascist state, it is economy which must serve politics, not vice versa.

(5) "I consider the Supreme Autarchy Commission like my general staff, composed of men who believe above all in victory and are bending every effort to the limit to reach the goal of self-sufficiency."

In addition, the Commission ordered a special committee created to eliminate national waste.

At the same time Premier Mussolini announced the opening of Italy's New Imperial Radio Center, which in an inaugural address, was characterized "as the most powerful in the world," which is located at Prato-Smeraldo (the emerald meadow), five miles outside of Rome.

PALESTINE

Jewish Immigration Quota Is Reduced

DESPITE tremendous pressure brought to bear on the British government not to restrict Jewish immigration in strife-torn Palestine, an immigration quota of 4,870 for the next six months was recently established by the local government. This total is about 1,230 below that for the preceding six months.

The following subdivisions were made in the quota: 2,020 persons classed as "capitalists," who must have at least $5,000 each; 40 craftsmen with at least $1,250; 1,450 dependents (not counting wives and children); 1,150 laborers; 200 of the rabbinical profession, and 10 orphans.

At present there are nearly 20,000 British troops in Palestine including the army and air force under the direction of Lieutenant General R. H. Haining, in a determined effort to keep peace.

CZECHOSLOVAKIA

BRATISLAVA, CZECHOSLOVAKIA — The Slovak government has ordered the complete disarming of all semi-military organizations in the autonomous state of Slovakia except the officially constituted "Iron Guard" of the People's Party, which was founded by the late Msgr. Andreas Hlinka.

The organizations were allowed by terms of the government decree to continue their existence, but were ordered to hand over their arms and ammunition to the authorities.

Organizations forced to disarm including the National Guard of the Nationalist Party, the patriotic organizations known as the Sokols, several Catholic organizations and an agrarian group known as the "Peasant's Cavalry."

A decree was also issued stating that a number of newspapers in Slovakia would henceforth be directed by the government.

Finally, the Minister of Education, Matus Cermak, who is one of the leading professors at Komensky University, announced that all "Communists" and "Freemasons" were to be relieved of their teaching positions. Moreover, the crucifix is now to appear in all schoolrooms. In fact, the entire educational and cultural life of the country is being reorganized.

From Prague comes the report that as a result of a Conference of representatives including Foreign Minister Ribbentrop representing Germany and Ciano, representing Italy, the Hungarian demands for Slovakian and Rutheian territory have been fulfilled. Hungary was awarded 4,635 square miles and some 850,000 people. Hungary did not obtain Bratislava, the Danubian port, nor did she receive all Ruthenia, which would have given her a joint boundary with Poland. Hungary did receive Uzhorob, capital of Ruthenia and the important town of Kosice, but failed to get Neutra which she had asked for as part of her demands. In all, Czechoslovakia has lost to Germany, Poland and Hungary about 15,000 square miles out of about 55,000 and about 4½-million people out of a population estimated at 15-million.

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Changing Commercial Banking FROM A RACKET TO A BUSINESS

BY ROBERT HEMPHILL

ORATORS and writers usually divide our economic system into three principal activities —Production, Distribution, and Consumption.

This division completely omits the most important and the controlling factor—MONEY.

Even a child knows that each transfer of goods or services has to be paid for, so that the total volume of goods transferred from one to another must be exactly equalled by the total transfer of money.

Edison once said that "Electricity is so simple that no one understands it." One walks into a dark room, reaches for the switch with firm confidence that a simple twist will flood the room with light, and that is about all that it is necessary for the layman to know. Where the current comes from and how it is generated and circulates through the maze of wires which are usually invisible is a profound mystery to almost everyone.

Money is equally mysterious. A man or woman draws a salary or has investments which yield an income paid, usually, by check at stated intervals, and with this salary or income buys so much of his desires as the amount will purchase. In the vast majority of cases this is little if any more than bare necessities. Occasionally someone wonders why this is so, here in a country with such vast resources.

The answer is that we haven't sufficient money to transact any more business than we are doing at this time.

That is the answer to the millions on relief, the millions unemployed, the millions undernourished.

IF TOO many lights are connected to the electric plant in your home town, all the lights would be so dim as to be almost useless and eventually each person would have to be rationed – limited in the amount of current he would be permitted to use. Also the demand would be so excessive that a very high price would likely be charged for the current. The unfortunate would have no current at all.

This is precisely the situation with reference to our supply of money. We have in circulation but little more than half enough to serve as a medium of exchange for all the goods and services we could produce. The result is that we are producing little more than half our capacity.

This is because we, as a nation, have practically no money and we have to borrow a synthetic medium of exchange from one small group who have no more inherent right to monopolize this vital factor in our economy than you or I. But because Congress, which has the sole constitutional right, has persistently declined to issue enough money, or to even inform itself on the vital necessity of having a sufficient medium of exchange constantly in circulation, shrewd men have built up a private system of banks which has always loaned a synthetic medium of exchange which we call "bank credit." This is merely the entry on *their* ledgers of a sum in figures and is in effect their promise to furnish that sum of real money on demand. As our neighbors will accept these promises for our debts and likewise pass them on to others, these promises, called "Bank Credit" perform every monetary function, and in prosperous times the banks are seldom called upon to actually perform these promises, and little if any real money is involved in these transactions.

There is, of course, no connection, much less co-ordination between the total of this promise-money issued by 17,000 independent and selfishly competitive banks and our producing capacity, and as a result we progress by accident and always limited by the volume of exchange media in circulation.

The banks issue this "promise-money" in an amount approximately ten times their ability to redeem and their position is continually precarious. No more absurd, uncertain, unpredictable, or unsound element could be introduced into an economic system, and this, the very opposite of a stable and adequate medium of exchange is the limiting and controlling element in our economic system.

OUR erratic history of alternate booms and depressions is the inevitable result of this uncontrolled issue of "wildcat credit money."

The remedy is almost obvious. We must replace this wholly imaginary money, the promises of private bankers, with a permanent medium of exchange, backed by the assets of the whole nation.

We do not want to destroy or even cripple the commercial banking system. We could not transact our vast and complicated business without a check-deposit system—some system of depositories in which our money, real or imaginary, is deposited to our credit and which we can transfer by check.

Nor do we have to issue currency or coin. We now have an ample supply for our petty cash transactions. We have found that we can do business with "Bookkeeping Credit."

The one change which is necessary to make is to return to Congress the sole right to issue this credit and to provide by law that additional credit SHALL BE ISSUED and put into circulation BY CONGRESSIONAL ACTION AS FAST BUT NO FASTER THAN PRODUCTION CAN BE EXPANDED—until we have a sufficient quantity in circulation to serve as a medium of exchange for all the goods and services we can reasonably produce.

We have all the necessary data to construct such a law. We have accurate and painstaking studies of our producing capacity but these things are not general knowledge—they are confined to a comparatively few monetary students and it is the purpose of SOCIAL JUSTICE and of these articles to spread this information.

THE leading economists and monetary students of the United States and other major nations are agreed up to this point, but are divided upon the next step which would be the manner of executing and regulating the volume of money to be added to the circulating media.

One school believes this can best be done by using the average commodity price index, or the average cost of living index as a basis, adding money or circulating credit when prices decline, or withdrawing money or credit from circulation by increasing taxes, when prices rise.

This system would, of course, necessitate the creation of a money management bureau which would operate under a blanket mandate from Congress but would necessarily have wide discretionary powers. Sweden is operating successfully on this basis of monetary control.

The second school—to which this writer adheres—believes that *all the provisions can be set up in the law itself, so that no discretionary bureau would be necessary.* This school would make full employment and full production the principal objective without regard to price movement. England is operating successfully on this basis.

The first school relies upon economic laws as defined by Adam Smith and his followers who observed that an increased demand for goods and services was invariably followed by a corresponding rise in prices, and, prior to the general use of power, this was true. All work was performed by hand and large forces of men usually performed less efficiently than small forces.

With the development of power, however, this situation was reversed and, under modern conditions of continued technological development and increased use of power, increased production means lower instead of higher costs. In many cases, increased production produces startling decreases in cost.

MY distinguished friend, Professor Irving Fisher, of Yale, has been for almost a lifetime the leading exponent of the "Stable Money" movement, and has the great satisfaction of knowing that his doctrines have been successfully adopted in many of the most enlightened nations of the world. The essence of this system is control of the quantity of all media of exchange in circulation and the maintenance of stable prices by variations of the quantity of money.

Professor Fisher is, however, not insensible to the new factors in the situation which, due to improvement in producing processes and increasing use of power on the farm and in the factory make for lower costs and lower prices as production is increased, and is recently inclined to agree with this writer that some satisfactory basis other than price indices may be found.

There are many objections to political control of the quantity of money in circulation just as there are objections to the uncontrolled private issue of "Bank Credit" money, and many competent monetary students view any movement toward any bureaucratic control with well founded apprehension.

The failure of the Federal Reserve Board, early in 1937, (when the present recession could be clearly forecast), to use to the fullest extent the powers granted it in the 1935 amendments to the Federal law, has shaken the confidence of this writer and many other monetary students in the reliability of any discretionary bureau of political appointees to operate independently of the administration which created it.

We know that the private control of the issue of exchange media is disastrous. There is evidence that political control of the issue may be equally disastrous. In view of these circumstances, I have been urging other prominent and active leaders in monetary reform to agree to, and to promote a law, which shall contain a direct mandate upon the Executive to issue and put into circulation a definite sum of additional money (or Treasury Credit) each year until we have reached a state of reasonably full employment and thereafter to increase the credit or money in circulation only as the population increased.

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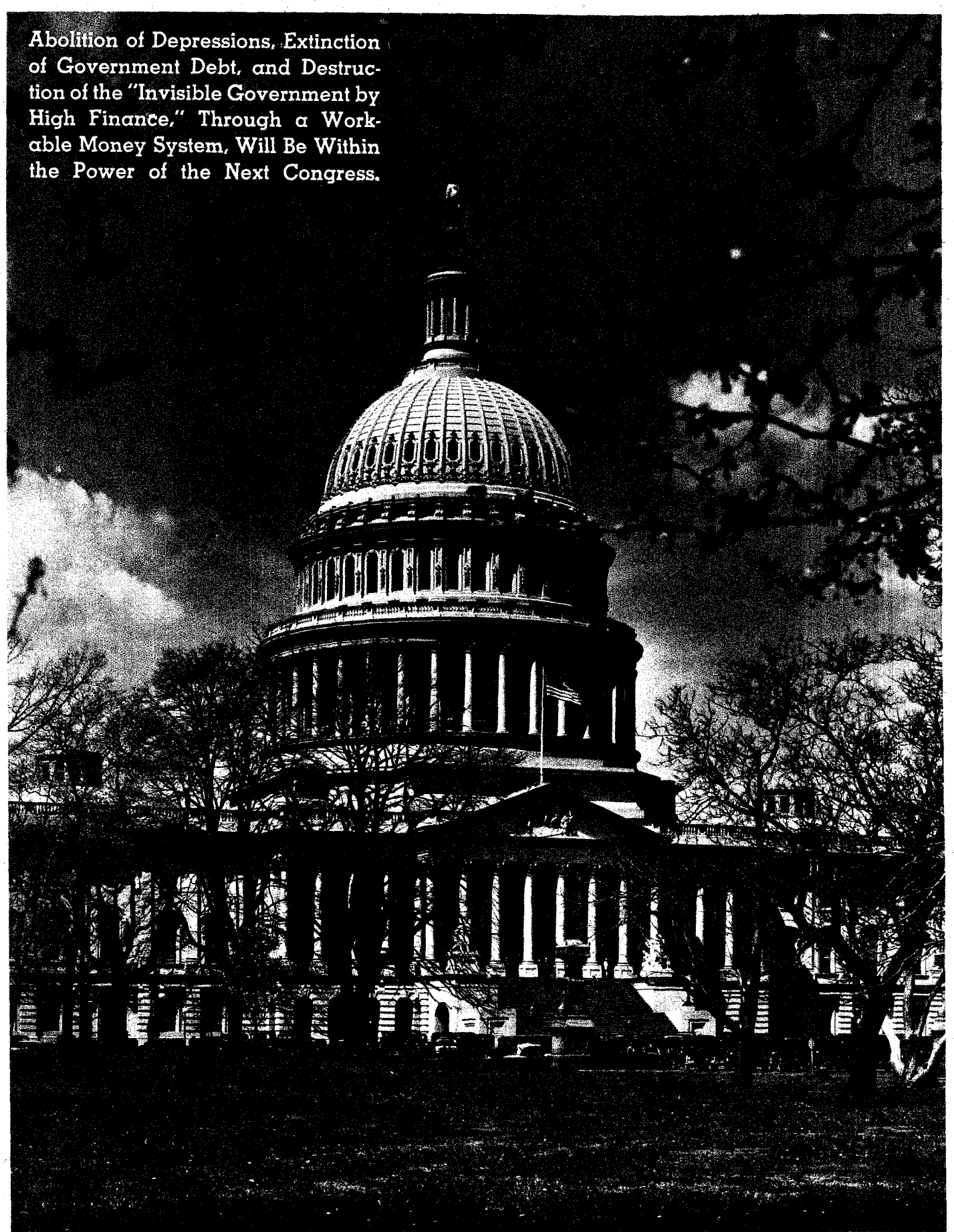
Abolition of Depressions, Extinction of Government Debt, and Destruction of the "Invisible Government by High Finance," Through a Workable Money System, Will Be Within the Power of the Next Congress.



MR. BINDERUP'S BANKING BILL

by J. CORR FITZGERALD

ON March 9, 1938, Representative Charles G. Binderup of Nebraska introduced in the House of Representatives a bill cited as the *"Monetary Control Act of 1938."* This bill, perhaps the most important in the history of the United States, will come up for discussion at the 1939 session of Congress. In view of its importance, therefore, and in view also of the storm of opposition that will inevitably accompany its discussion, the substance of the measure and the reasons for the opposition that will arise should be understood by every voter in the nation.

In the introductory clauses, Mr. Binderup has given us the purpose of the bill and the reasons that have urged him to introduce it. The measure reads:

"A BILL to restore to Congress the sole power to issue money and to regulate its value as provided in article 1, section 8, of the Constitution of the United States; to restore full employment and production; to prevent inflation and depression; and to provide a stable currency.

"Whereas there has developed in the method of conducting commercial banks in the United States the custom of lending the private credit of such institutions under the pretense of lending money; and

"Whereas such credit, transferable from one depositor to another upon the books of the bank or through clearing houses or otherwise to books of other banks upon the check or order of the borrower or subsequent depositor is now generally accepted in payment of private debts, the said practice in fact provides an uncontrolled and privately created circulating medium of exchange which performs substantially every monetary function in violation of and practical nullification of article 1, section 8, of the Constitution of the United States, which vests in Congress the sole power to issue the money of the Nation and regulate its value; and

"Whereas this practice places in private hands, and deprives Congress of, the monetary control of the Nation, and confers upon certain individuals an unfair advantage over their fellow men, through which they may and do acquire *unearned wealth* to the end that *the product of labor and genius is consecutively concentrated in the hands of the few who have this unfair advantage,* in violation of the fundamental principles upon which this Nation is founded; and

"Whereas in effect there is no difference between the issue of this uncontrolled credit and the unsound and thoroughly discredited wildcat bank notes of our earlier history; and

"Whereas the uncontrolled alternate expansion and contraction of this synthetic medium of exchange induces recurrent periods of uncontrolled and disorganizing inflation, invariably followed by disastrous periods of equally uncontrolled contraction, bankruptcy, and distress:

"Now, therefore, in order to restore to Congress the sole power to issue money and to regulate its value, and to promote and control the economic welfare of the Nation to the end that unemployment and poverty may forever be controlled, and full and profitable employment and production, and continued and uninterrupted prosperity be restored to the people of these United States, be it enacted, etc."

IN these few introductory words we find Mr. Binderup telling us what Father Coughlin has been saying over and over again in his radio lectures, namely, that private money creation is the primary cause of our economic ills.

The bill itself begins by determining what individuals, firms, associations or corporations shall be deemed to be commercial banks and engaged in interstate commerce. In this class are all who receive "deposits of money or credit or any other substitute medium of exchange, withdrawable or payable upon the check or equivalent order of the depositor, upon demand or within thirty days, and transferring or transporting said money or other medium of payment or title thereto to other banks or individuals, firms, associations, or corporations of any other State or States, Territories, or possessions of the United States or foreign countries . . ." All commercial banks as defined above are to be subject to Federal jurisdiction and to the authority of the Board of Governors of the Federal Reserve System.

The next feature of the bill is one that Professor Irving Fisher has called the "one hundred per cent reserve" system. It provides that all commercial banks "shall be required to hold all demand deposits as herein defined, in trust for said depositors in lawful money of the United States, on hand, or as credit in the Federal Reserve banks of its district." Two provisions of this feature, however, permit the banks to retain the Government bonds or notes of the United States or bonds fully guaranteed by the Government which represent investments of a portion of their deposits, and to use them if necessary for discount at any Federal Reserve bank at par value.

If, within a year from the passage of this Act, a bank has not the cash, or cash and bonds, required for its demand deposits, it may rediscount with the Federal Reserve bank of its district so much of its assets as may be necessary in order to comply with the law. Or it may increase its capital stock by sale of additional common or preferred stock.

Our experience with periodical panics under the present fractional reserve system has proved the necessity of the full reserves which this feature of Mr. Binderup's bill provides. Under the present Federal Reserve system no bank is liquid nor can it be so, for the banks *promise to pay ten times more than they can pay.* Thus, if depositors lose confidence, as they do every few years under this system, and demand their money, the banks fold up, their customers are prostrated, and the Government has to step in to prevent a revolution. As a result of this ten per cent reserve system no fewer than 10,000 banks have failed in the last ten years bringing untold losses to innocent depositors. Ten per cent reserves are not even ten per cent effective.

THE present Federal Reserve is a private corporation with no mandate from Congress to provide an honest economic system, with a *moral* but not a *legal* responsibility to foster justice

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in the economic order and forward the common good. And this is the error which the second section of the Binderup bill would remove, by providing that:

"The Board of Governors is hereby constituted the monetary agent for the Congress of the United States, and as such it shall have power to regulate the value of the money of the United States and of all foreign currency and coin as provided in article 1, section 8, of the Constitution of the United States, and for this purpose shall have control of the issue of all currency and credit in the United States and of any other substitute medium of exchange which may hereafter be devised or developed, it being the intention of this Act to lodge in the Board of Governors as the properly constituted monetary agent of the Congress of the United States the complete control over the total volume of money of every kind and all substitutes whatever, at any time in circulation in the United States, and the Board of Governors shall have jurisdiction over all banking institutions of the United States and its Territories and possessions, subject to law, and shall be the fiscal agent of the Government."

The next portion of the bill provides for the very necessary expansion of the currency in active circulation which alone can effect full employment, and this specifically at the price levels of 1926. The Act authorizes the Board of Governors to issue currency or credit subject to check in sufficient volume to bring demand bank deposits to the point where per capita circulation will be $250. The importance of this measure will be understood when we consider that in 1937 per capita circulation was not much over $52 and industry was producing at about 30 per cent capacity, with 12 million unemployed.

To provide for annual physical increase in industry and population the Board is further permitted to increase the issue of currency by not more than 4 per cent per annum.

THE question arises as to how this money is to be put into circulation. First, the increase must not exceed 4 per cent per annum, so that a correlation between prices and wages may be maintained. Second, the actual expansion is to be provided "through the payment of social dividends to the nation's dependent old people, the blind, the crippled, dependent children and other recipients of the Social Security Act, through the Social Security organization; and any additional expansion of the circulating medium of exchange, whether of money or credit, necessary to maintain the 1926 price level . . . shall be put into circulation through the financing of farms and homes for the lower income groups, through such governmental agencies as are now or hereafter may be organized."

A comparison of the present methods of financing of Federal relief projects and of the Social Security Act with the plan outlined in the Binderup Bill will show the difference between good and bad financing.

In order to supply home and work relief to millions of destitute citizens, the Government proceeded to *borrow* credit from the private Federal Reserve banks on interest-bearing Government bonds. This created two debts against the Government, against the people: the principal debt, and the interest debt. Now, since these bonds will be outstanding normally for at least twenty years, the interest debt will amount to more than half of the principal, which means that every credit dollar borrowed will cost the people over fifty cents, and they will still owe the dollar. Yet all the while this borrowed credit money represents nothing but the stroke of a fountain pen.

Under the Binderup plan the financing of relief will involve *no debt at all,* for in place of borrowing fictitious credit from private banks the Board of Governors acting as the fiscal agent of the Government "is authorized to issue currency or credit to carry out the provisions of this Act." Every dollar issued will be *owned* by the people, not *owed* by them; will be a corpuscle, so to speak, injected into the life-blood of the ecenomic body. With such blood circulating through the economic body in adequate volume, the nation cannot help but prosper.

Opposed to this currency-issue plan is the financial policy behind the Social Security Act. In view of the fact that we now require at least $10-billions more in circulation than we have today to restore prosperity, the *deflation* involved in the administration of the Act indicates that the legislation is actually harmful to business and industry. It must be emphasized that the Social Security Act *decreases the volume of money in circulation,* adding to the current deflation, because it takes from the employed considerably more than it pays out. Accordingly, the people have less money to spend, yet good business (prosperity) is nothing else than money being spent.

Now this deflation is precisely what the Binderup Bill is calculated to cure by the issue of new money through the payment of social dividends to the nation's needy and through the financing of farms and homes. And the conclusion is undeniable that such a policy is not only sound economy, but absolutely essential to the life of the community.

SECTION 3, of the *"Monetary Control Act of* 1938" authorizes and directs the Secretary of the Treasury of the United States "to purchase the capital stock of the twelve Federal Reserve banks and branches, and agencies hereof, and to pay to the owners thereof in lawful money, or in credit upon the books of the Federal Reserve banks, the amount paid for said stock with 6 per cent interest from the date of the last dividend up to the date of the passage of this Act . . . It being the intention of this Act to vest in the Government of the United States the absolute and unconditional ownership of the said Federal Reserve banks."

This feature of the bill, together with Section 2, takes from private bankers the unjust privilege of creating credit to loan at usury, and places the right and duty of money creating under the public authority where it belongs. What this means in actual facts and figures may be summarized somewhat as follows:

First, the plan will automatically prevent any further addition to the Government debt, for in place of borrowing privately created credit from bankers to finance farms and homes, etc., the Government will issue its own money or credit.

Second, it will pave the way to the total extinction of all Government debt through the gradual retirement of interest-bearing Government bonds by issue of money or credit in exchange for them. This will save the people $1,000,000,000 annually which they must pay the bankers as interest rake-off.

Third, it will destroy the invisible government of high finance which, through the control of money and credit, controls all political parties, important legislation, business and industry, the banks, the textbooks of our colleges and universities, and even some of our outstanding clergymen.

Fourth, it will supply the people with an exchange medium that is a *credit* instead of a *debt.* This money, being issued and paid into circulation by the Government, will not bear interest, will not be owed to anyone, will not depend on the will of the bankers for its continued existence.

Fifth, the certain success of this method will reveal to the people the falsehoods of the banking propaganda which tells them that private bankers should create and control credit but the Government should not. According to Representative T. Alan Goldsborough, once the people understand the racket, they will demand repeal of the Federal Reserve Act at once.

Sixth, the plan will remove the danger of bank-created depressions which have plagued our country for the past 150 years. Every depression we have had has been caused by the contraction of money and credit by the private banks. Under the Binderup Bill, the Board of Governors is directly responsible to Congress *not to contract money and credit,* but to maintain an adequate volume of money in circulation so that prices will not vary from the level of 1926. Thus, if after the passage of the bill, the price level is not maintained, the Congress and the people know who is to blame and what must be done to correct it.

The point, of course, is not that the Binderup Act will provide a foolproof system or create a Utopia. There will be errors, mistakes and dishonesty because men are weak and prone to evil. But the bill *provides a system that is objectively workable,* whereas the present banking system is *inherently dishonest and unworkable.*

A degree of success can be predicated of the Binderup system *on its own merits,* apart from the imperfections of the men behind it. Whereas the Federal Reserve system could not bring a sound economy even though directed by men of angelic virtue.

This is why it is so important for the people to grasp the nature of our monetary system, to understand what can be done to correct it. At the next session of Congress the Binderup Bill will be up for discussion. The henchmen of high finance will fight the bill with every weapon at their command. The triumph or failure of our Congressmen in this struggle will determine the economic destiny of our nation for years to come.

According to Representative T. Alan Goldsborough, once the people understand the racket, they will demand repeal of the Federal Reserve Act at once.

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THE ONLY WAY TO FIGHT

TO THE EDITOR:

In view of the fact that the major networks have refused Father Coughlin time on the air I urge you to print the following suggestion for action in the earliest possible edition of SOCIAL JUSTICE.

Inasmuch as the N.B.C., Columbia and Mutual broadcasting companies have decreed by policy that Father Coughlin's uncontradictable and self-evident truths are "controversial," and whereas this same policy finds nothing controversial in the Communistic programs which they broadcast, we as Americans, have determined that these conditions warrant a policy of our own to meet such subversive forces.

It is fruitless and illogical that we should adopt a policy of not listening to a program, thereby only slighting ourselves. It is equally as ineffective to write these networks, whose policies have already been dictated by the interests which control them and who have forced such a policy upon them.

Therefore, to successfully and effectively meet this inroad upon American liberty, we must choose that means which will attain the greatest results.

This method is for all lovers of social justice and the truths Father Coughlin has taught—almost single-handedly — to embark upon a campaign of letter writing. These letters should be to all sponsors individually who advertise over these chains telling them that unless they wish to help us force this issue of liberty on the air we shall have to resort to forcing this issue in our own way. That way will be by refusing to buy any merchandise advertised through these mediums.

Remember that patriotism or truth itself is not as important to these chains as the financial reimbursement they receive from these sponsors and, therefore, the prospect of a loss in sponsored programs will be the only solution in this case.

Bronx, N. Y. —EMIL A. P. MAHLAU

REMOVE THE CAUSES FIRST

TO THE EDITOR:

It has been my pleasure during the past few years to discuss the economic depression with several Catholic priests.

For apparent reasons, these reverend gentlemen have fallen into error by desiring to rectify the economic ills of the nation by a spiritual and religious approach. In other words, they are endeavoring to inject clean, wholesome food into a rotten body that will not absorb it.

As a fair comparison, let us put the abusive capitalist side by side with the murderer, the thief, etc. Now, society would not esteem very highly the judge and jury that attempted to eradicate murder and thievery by telling the murderer: "The fifth commandment of God says 'Thou shalt not kill'" and to the thief, "The seventh commandment of God says 'Thou shalt not steal'."

In like manner it will be insufficient to attempt to execute economic reforms by mouthing Christian precepts and morals into the crusty ears of the financial and business barons who are the essence of avarice. They must be dealt with the same as the murderer and the thief.

This will be possible only when government fulfills its Constitutional obligation to control money and foreign trade through the mediums which the Constitution provides, viz. Congress and the Senate, respectively.

Troy, N. Y. —JAMES HOGAN

WANTED: ANOTHER ST. HELENA

DEAR EDITOR:

The SOCIAL JUSTICE edition of October 3rd is an exceptionally outstanding one. Each reader not only should be glad and thankful for every article of rare information, especially for the one about the personal character of Maxim Litvinov, with his half-dozen different names; but, every reader should congratulate Mr. Ben Marcin for the splendid answer to Mr. Slomovitz's article. It is the most marvelous and daring exposure I have as yet read about the enemies of Christians. Not only has he shot many holes through "the Swiss Cheese Trial," but he has also shot through the hearts of many prominent Jews.

First, Mr. Slomovitz would have taken the readers of SOCIAL JUSTICE for fools by covering the truths with smoke-screens, had it not been for Mr. Marcin's well-founded revelations.

Second, Mr. Marcin shot through the hearts of all those who are directly responsible for the miseries of innocent people in Europe, especially in Russia, in this country, in China and everywhere.

With all the amazing and surprising exposures, Mr. Marcin, however, has left out one important thing, a conclusion to the following statements:

"The undeniable fact is that Bela Kun, Lenin, Trotzky and pals are stark realities who have gained immortality in the pages of history as a result of the red Christian blood, which they spilled in profusion to crimson the Soviet flag of Russia. But what of it? Napoleon was no Jew, yet he shed blood wickedly and unnecessarily."

He does not say that the defeat and overthrow of Napoleon was brought about by Jewish financiers and that the involving powers banished Napoleon to the Island of St. Helena, in order to secure permanent safety and peace.

Mr. Marcin also fails to say that the leading nations of today should get together, round up all of the well known enemies of mankind, and banish them once for all to some place like St. Helena, in order to give the masses peace and comfort.

Our enemies are laughing at us and are emptying our pocketbooks every day, while we are reading the SOCIAL JUSTICE pages with amazement and surprise. Isn't there someone who could tell us how to get at these shameless, hidden cheaters of the world?

Baltimore, Md. —L. L.

GIVING THE TRUE IMPRESSION

TO THE EDITOR:

This is to tell you how much I enjoyed the articles, "Depression Made to Order," by J. Corr Fitzgerald. The contents of the articles are certainly startling. The inside workings of the bank racket do not generally get to the public, and the people are left with the absurd impression that the bankers have little or no control over the national economy. It seems about time that the public was informed as to who it is that controls the exchange medium and what their motives are. Mr. Fitzgerald quoted one banker as saying that he thought a "reasonable depression would be a good thing for the country." Certainly the less control over finance that such a crack-pot banker has, the better for the country.

—CARL J. DENTI

St. Bonaventure, N. Y.

OLD TIMER KNOWS BEST

TO THE EDITOR:

On the back page of SOCIAL JUSTICE for October 17, the "Great American Sap" gave the writer, now 60 years of age, the urge to analyze wherein he was a "sap" these many years. After much thought and recollection of years and events, I came to the opinion that the quotation was justly applicable to me, and not only to me but to the great majority of American citizens.

It was an easy task for me to analyze my own case for the reason that about fifteen years ago, being more mature and having more leisure time, I began to pry into the "why and wherefor" of everything concerning mine and my neighbor's welfare—especially in the matter of shelter, food and clothing, of which the Lord created and creates an abundance for all. I found we were being gypped—that a few in the game of life were using marked cards and stealing "chips."

In the old days there were not so many "saps"—evident from the fact that then men grouped and had the habit of hanging others to the limb of a tree for stealing horses. Nowadays what? Ask yourselves and analyze.

Most of us "old timers" have been bitten or stung for a number of years, and we feel that we know what it is all about, but haven't long to stay anyway.

If the young man of our country expects to marry that sweet girl he loves, to have a home of his own, children, and the happiness that goes with them, their pleasure and education—he had better begin to analyze, think, study and act—especially in the matter of his country's financial system, politicians and government.

Young man, read the Ten Commandments and the Constitution of the United States of America, and act accordingly and you will be on the right track.

As for myself, I have changed from being Clarence Sap to

Chicago, Ill. "JOHN WISE"

AND NOW A WAGE-HOUR LAW

TO THE EDITOR:

I am referring to Mr. E. J. Huyge's letter which was published in one of the recent editions of SOCIAL JUSTICE. He must be an ex-chain store manager or have some truthful friend to give him the inside information. When he spoke of unfair trade allowances it reminded me of the following: The A. & P. Tea Company received in one year secret discounts from the Standard Brands for Foil Feast (yeast cakes) $144,000—Chase & Sanborn Coffee $97,164—Tenderleaf Tea $394,000—Royal Gelatin $38,000—Royal Baking Powder $15,000. In one year the A. & P. received secret discounts from approximately 287 concerns. From Wrigley Gum they received $7,000 per month. No wonder they can sell gum at "3 Pkgs. for 10c." Is not that concentrating wealth in the hands of a few, when the entire stock of the A. & P. is controlled by the Hartford family?

Referring to Mr. J. E. Martin's letter of August 15th issue—he was very mild in his letter. As an ex-A. & P. manager with 12½ years behind the counter, it is quite true that managers are paid well, but of course while you work. As for clerks, they are paid starvation wages. I had to fight to get them a decent week's wage and sometimes paid them part of my commission, while a local market paid their clerks three to five dollars more per week. He mentions if the chain store was taxed out of existence. I say if they were taxed the same as individually owned stores they would automatically go out of business. The A. & P. still operates in my building; the store which I managed for them 12½ years paid a local tax of fifty-two cents for the year 1938, while I paid $86.71 for the same year.

Mr. Charles Zuccar writes in your issue of August 29th. I would like to have a public debate with him on a public platform.

Managers are forced to be dishonest. At the managers' meetings the supervisors would tell the managers in one breath to give the customers 16 ounces to the pound and in the next breath say there wasn't any need for a manager to have short stocks. Then, too, their superintendents, when calling at the individual stores would not allow legitimate credits taken for poor quality merchandise or unsaleable merchandise which was bought at a bargain by the company. I ask Mr. Zuccar how could he give a customer 16 ounces to the pound and not have any short stocks, not have any allowances for damaged goods and still be able to account to the company 100 cents to every dollar he was charged with?

If Mr. Zuccar would take the trouble to send for a copy of the findings of the Wright Patman's Committee investigating American Retail Federation he would agree that both he and I had been working for a dishonest system.

—FRANK F. FERREIRA

East Falmouth, Mass.

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ROLL CALL IN RUSSIA 1917-1938

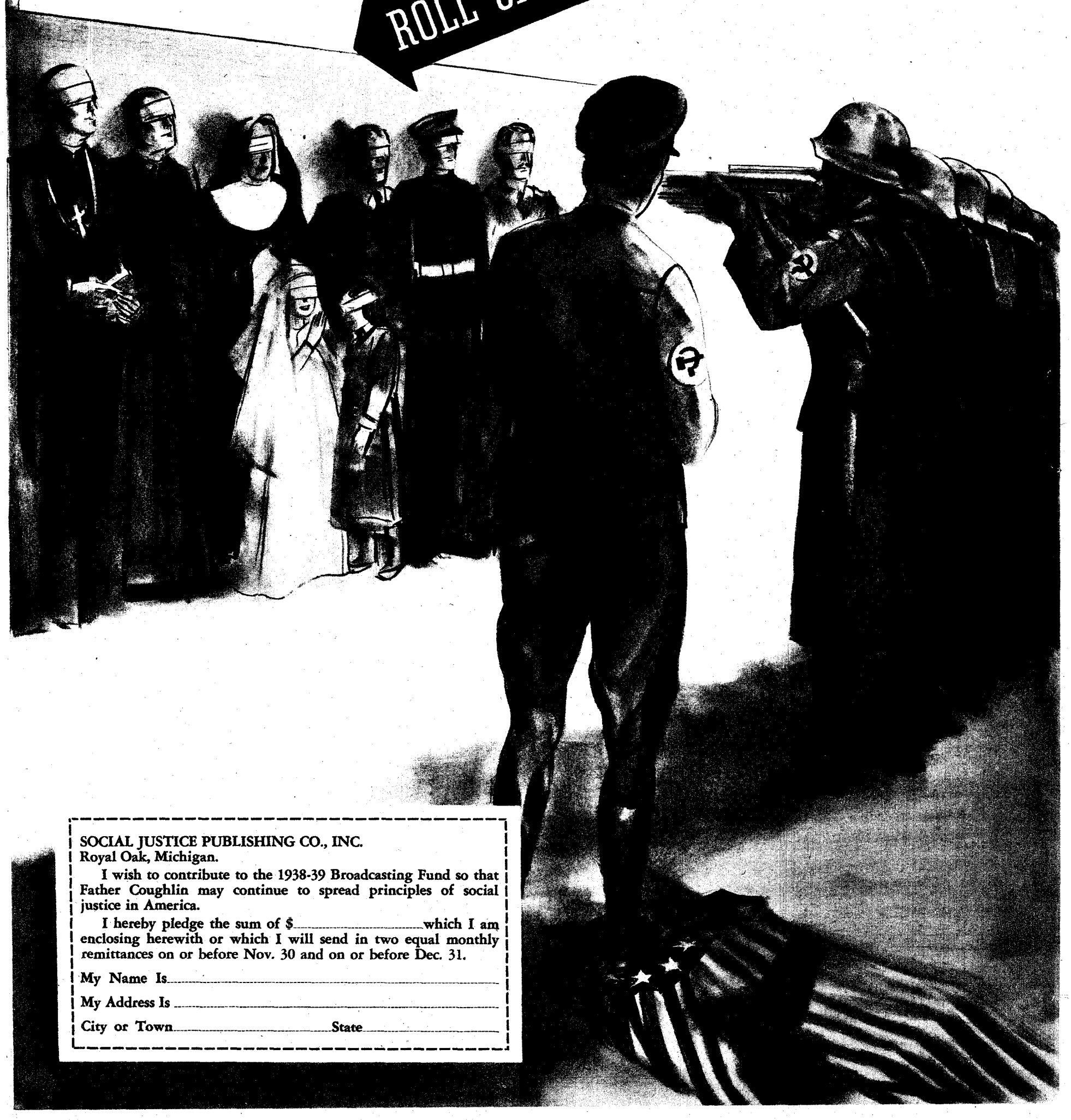
KILLED BY COMMUNISTS:

1 Royal family and seven innocent persons

28 Bishops and Archbishops	6,775 Priests
6,575 Teachers	8,500 Doctors
54,850 Officers	260,000 Soldiers
150,000 Police Officers	198,000 Workers
350,250 Intellectuals	915,000 Peasants

48,000 Gendarmes (Detectives)

ROLL CALL IN THE U.S.A. 1945?



SOCIAL JUSTICE PUBLISHING CO., INC.
Royal Oak, Michigan.

I wish to contribute to the 1938-39 Broadcasting Fund so that Father Coughlin may continue to spread principles of social justice in America.

I hereby pledge the sum of $_____ which I am enclosing herewith or which I will send in two equal monthly remittances on or before Nov. 30 and on or before Dec. 31.

My Name Is _____

My Address Is _____

City or Town _____ State _____

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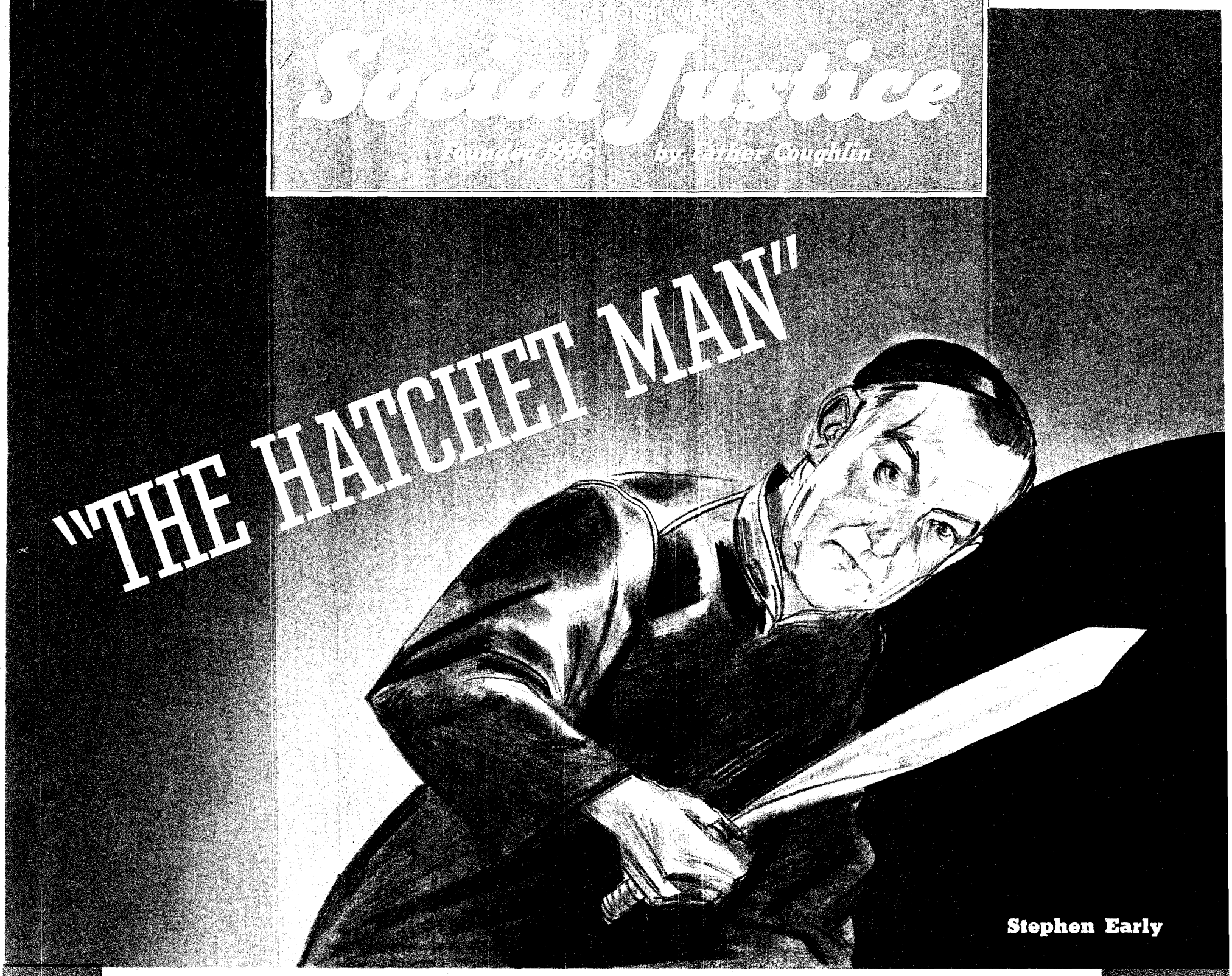
NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

"THE HATCHET MAN"



Stephen Early

SLITHERING stealthily through the dim-lit back alleys of our national life, on his mission as official executioner, glides the "Hatchet Man."

"Chop-chop and a head comes off!"—the head of some troublesome "obstructionist," or an outspoken critic, rolls onto the gutter cobblestones. The hatchet is quiet—but just as effective as the noisy publicity of a machine-gun squad.

In these days of instantaneous communication, the radio in every land is the first objective of any dictator. Columbia's "Hallowe'en prank on a 'boob' nation" is an example of how easy it is to "take" the public. Their nerves jittery from baseless newspaper scares, and seeking a moment of escape at the radio, people are off guard and in just the mood for anything that the controllers of propaganda may wish to feed them.

But this cannot be effective so long as there is also on the air free commentators to whom a confused public can flip the dial and get at the suppressed truth behind official propaganda.

So the Hatchet Man was sent out. Weeks ago, radio stations—living precariously on a six-months lease of life at the pleasure of the New Deal—were bluntly told that no more radio commentators were to be permitted: that those already on the air WOULD BE TAKEN CARE OF.

Boake Carter, one of the freest of the commentators, was put off the air. He says it was Stephen Early, a White House secretary, who told the broadcasters that after January 1, 1939, the air would be "purified"; and also told Carter that he was not "personally acceptable to the Great White Father in Washington."

Radio chains, refusing Father Coughlin the use of their networks, are also "advised" by Mr. Early. Hampering restrictions which now and then annoy stations already under contract for the Coughlin broadcasts, again display the "shadow of the Hatchet Man."

This is not the "American way" that administration spokesmen are forever talking about. The "hatchet man," the vendetta, the machine-gun gang ride, the "purge"—all are alien importations. Away with them!

The American way—ever since Lexington and Concord, Gettysburg and Appomatox—has been *the people's will,* under God, not that of some king or dictator, without God.

But we do not need regiments to deal with Hatchet Men. ONE GOOD SEARCHLIGHT WILL DO THE JOB. Hatchet Men work in the dark, in secret. Truth is their allergy. Daylight is fatal!

THE MAN OF THE WEEK

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